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P&G's Artzt on ads: Crucial investment

By Jennifer Lawrence

Edwin L. Artzt, chairman-ceo of Procter & Gamble Co., thinks advertising is better than promotion for building brand loyalty, believes mediocre advertising is better than no advertising, likes advertising that lasts and doesn't plan to reduce P&G's investment in it. He is, however, reducing the cycle time for product rollouts.

In a wide-ranging interview with *Advertising Age*, Mr. Artzt shared his views on the role of advertising as he prepared to address the Association of National Advertisers' 82nd annual meeting in Phoenix, Ariz., today.

In a speech titled "Grooming the Next Generation of Management," Mr. Artzt will touch on key elements he thinks should be incorporated into ad training programs—possibly even at P&G.

"A belief in advertising really begins with developing professionalism in the people who handle advertising," he told *Ad Age*. "If they haven't been professionally trained, how can they believe in it? They will always have that doubt."

"Advertising is a longer-term investment, and it shouldn't be intruded upon by short-term needs."

At one time P&G's manager of ad copy, Mr. Artzt intends to restore a belief in advertising at all corporate levels, from new hires to ad managers.

"Advertising is a longer-term investment, and it shouldn't be intruded upon by short-term needs," said Mr. Artzt, who acknowledged this belief is being put to test right now. P&G last week reported net earnings for the July-September quarter dropped 3%, to $536 million, compared with the same quarter last year.

"Everyone will say, 'Hey, you're not going to make your profit forecast, and what are you going to do about it?' There's that advertising budget just sitting there like a big plum ready to be plucked."

When it does get plucked, "It's

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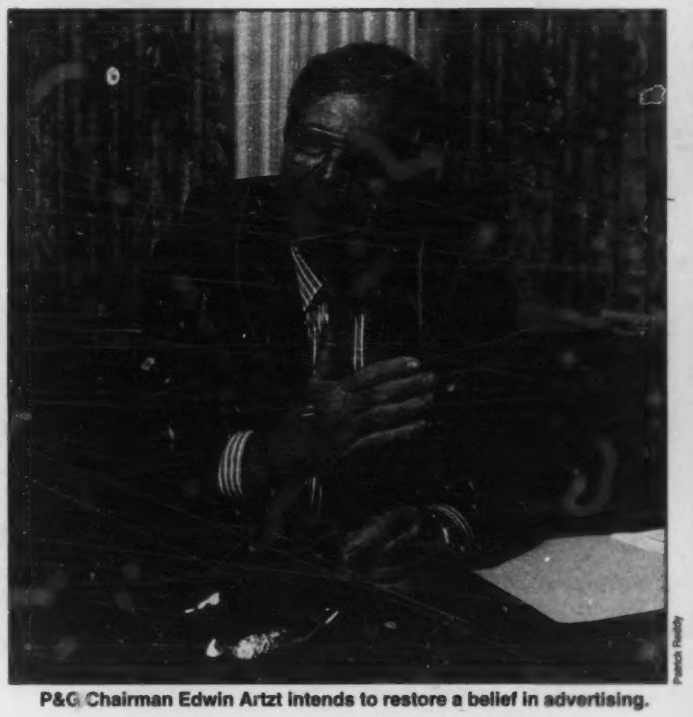

Patrick Roddy

P&G Chairman Edwin Artzt intends to restore a belief in advertising.

This Bud's for her

Women to get 'equal roles' in new A-B campaign

By Ira Teinowitz

Anheuser-Busch says it's abandoning the traditional portrayal in beer advertising of women as sex objects as part of a major new direction for its flagship Budweiser.

There are still attractive women in tight clothes in the ads, but the company claims it's not now portraying them as typical beer ads do.

"We wanted to make a campaign that would cut through and take away from typical beer advertising in the '80s. In the future, women will have equal roles and be treated in equal manner," said August Busch IV, who recently became the brand manager for Budweiser.

A-B last week kicked off a sharply different "heartland" campaign as one part of a $75 million effort for Budweiser. The drive jettisons much of the strategic direction of the less than 2-year-old "Nothing beats a Bud" campaign, which the brewer said had become "arrogant."

The new effort calls Budweiser "as genuine as the people who drink it," and features real-life situations that often use a combination of older and younger people.

The campaign from D'Arcy Masius Benton & Bowles, St. Louis, still uses the "Nothing beats" tag but only as a final super.

"We didn't want to get into the body parts [advertising] of Coors Light," Mr. Busch said, "especially after the Supreme Court inquiry. We have heightened sensitivity to what has

(Continued on Page 49)

In Anheuser-Busch's new Budwe[illegible] woman trains a wheelchair athlete.

Coen expects '92 recovery, 9% ad $ hike

By John P. Cortez

ORLANDO, FLA.—The long-awaited and much-predicted economic recovery is around the corner, says Robert Coen, senior VP and director-forecasting at McCann-Erickson Worldwide, New York.

Though the ad industry traditionally lags behind the economy as it recovers, the industry should see a 7% to 9% increase in total media spending next year, he said.

Mr. Coen's forecasts are eagerly anticipated by the advertising industry, which generally has been expecting slow growth next year.

With anticipated inflation of 4%, Mr. Coen's forecasts translate to real growth of 3% to 5% in 1992. Mr. Coen doesn't distinguish between nominal and real growth in his forecasts.

Speaking to the Yellow Pages Publishers Association's annual convention, Mr. Coen predicted the U.S. could find itself in an economic boom by the fourth quarter of 1992.

Symptoms of the turnaround are appearing now, but too late to make 1991 anything but disappointing for most marketers and their agencies, he said.

"Things are starting to tighten up in some of the media

(Continued on Page 53)

LAST MINUTE NEWS

Lois/GGK buyout set

NEW YORK—Management at Lois/GGK reached an agreement to buy the agency from Trimedia Group, Zurich, executives familiar with the plan said. Trimedia acquired GGK in August 1990; GGK had bought Lois in January 1985. The Lois agency's new name is expected to be unveiled in the next few weeks. George Lois, chairman of the agency, wouldn't comment on the deal.

States oppose TV ad proposal

NEW YORK—Fourteen state attorneys general have asked the Big 3 networks to reconsider plans to relax standards restricting deceptive advertising. The move was made in response to changes proposed by ABC that would lift bans on several types of advertising, including ads featuring doctors or actors portraying doctors endorsing medical products. The attorney generals also urged ABC to abandon plans

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Green Marketing: More easily said than done. **After Page B-32.**

Douglas Fraser

NEWS SUMMARY

■ **An economic recovery** will help the advertising industry see a 7% to 9% increase in total media spending next year, says forecaster Robert Coen of McCann-Erickson. 1

■ **Edwin L. Artzt,** chairman-ceo of Procter & Gamble, says advertising is best at building brand loyalty, and he wants to restore a belief in advertising at all corporate levels. 1

■ **Anheuser-Busch** says its new Budweiser ads will no longer include portrayal of women as sex objects, but will give them equal roles in real-life situations. 1

■ **Retailers** are sweetening their offers for consumer credit in an attempt to reverse a slowdown in sales of such big-ticket items as electronics, appliances, furniture and jewelry. 3

■ **Ad sales alliances** between unrelated media companies lack value-added incentives, some critics say. 3

■ **Republican National Committee** may run ads against former Ku Klux Klan grand wizard David Duke, the GOP gubernatorial candidate in Louisiana. 3

■ **Submarine sandwiches** are the hot item among fast-food chains and in supermarkets. 3

■ **Quaker Oats Co.** has begun an agency compensation program that includes a minimum guarantee. 4

■ **Ogilvy & Mather** split off its public relations and sales promotion units, which will report directly to WPP Group. 4

■ **Paramount Home Video** moved its estimated $10 million account to Ogilvy & Mather. 6

■ **Liggett Group** plans a marketing program for Lark, Chesterfield and L&M cigarette brands, reversing a 20-year strategy to promote low-price brands. 12

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■ **Stouffer Foods** will heavily back its Lean Cuisine line in a bid to reverse falling market share. 24

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■ **General Motors and Volvo** ads will play up other safety features to counter Chrysler's air bag push. 52

■ **The 'Arkansas Democrat'** bought the *Arkansas Gazette* from Gannett Co., ending a fierce newspaper war. The combined *Democrat-Gazette* hiked ad rates up to 42.9%. 52

■ **Ross Roy Group** will set up a unit under Ric Calvillo to offer research and strategic advice. 52

■ **Record labels,** no longer relying on free radio and video plays, are using paid media to promote new releases. 54

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Euro RSCG merger troubles U.S. units

By Jon Lafayette and Scott Hume

The future of Euro RSCG's agency stepchildren in the U.S. is getting cloudy.

When the two largest French agencies, Eurocom and Roux Seguela Cayzac & Goudard, merged this month, concern spread through Eurocom's New York-based Della Femina, McNamee; RSCG's Tatham/RSCG, Chicago; and RSCG's Messner Vetere Berger Carey Schmetterer, New York.

Of the three, Tatham's situation seems to be the most volatile.

Observers say the agency might be better off breaking away from Euro RSCG to retain $100 million in Procter & Gamble Co. business. That represents one-third of Tatham's billings.

Tatham's P&G business conflicts with Eurocom client Henkel, and P&G has a strict conflict policy. Euro RSCG executives appear unwilling to resign the nearly $100 million Henkel account.

Discussions between Euro RSCG and P&G to resolve the issue were held at P&G headquarters in Cincinnati last week, but no decisions were reached, Tatham sources said. The talks will continue "until everything is resolved," a Tatham executive said.

Tatham principals declined to comment on the buyback rumor or any other possible scenario.

"We have no further comment and have no announcements," an agency spokeswoman said.

If a sale was to take place, a management buyout appears to be the most likely possibility. But other agency groups seeking a strong Chicago office might also be interested.

RSCG acquired a majority stake in Tatham-Laird & Kudner in 1988. The agency was renamed Tatham/RSCG in May.

Even if the P&G problem is resolved, Euro RSCG could face problems with Della Femina, McNamee Chairman Jerry Della Femina.

Mr. Della Femina is said to be unhappy about sharing top billing with his new U.S. colleagues.

After a long-simmering feud, Mr. Della Femina earlier this year was named head of Eurocom-Della Femina, a North American holding company that was to include all of Eurocom's ad agencies.

But Mr. Della Femina was excluded from the RSCG merger talks and, after the merger was completed, Euro RSCG announced that Tatham and Messner Vetere would continue to report to Jean-Michel Goudard, president-international of Euro RSCG, not Mr. Della Femina.

It was unclear whether Mr. Della Femina would insist on having Tatham and Messner Vetere report to him or seek an alternate resolution to what appears to be a breach of his earlier agreement.

"I expect Euro RSCG will honor my contract," Mr. Della Femina said last week. "I don't see it as a major stumbling block."

Other sources close to Mr. Della Femina suggested the French parent might be running out of patience with Mr. Della Femina, whose agency hasn't had a good year.

They speculated that if three U.S. agencies are too many for Euro RSCG, then Della Femina, McNamee may be the one most likely to be jettisoned.

Other executives familiar with the situation maintained that a three-agency lineup could work for Euro RSCG if it resists the urge to merge them in search of economies of scale. □

GM card to give car credits

By Raymond Serafin

General Motors Corp.'s venture into credit cards next year will be aimed primarily at boosting vehicle sales and customer loyalty, say sources familiar with the planning.

The MasterCard program is likely to include a way in which card use will provide credits toward the purchase of a new vehicle, sources say.

That feature, comparable to "frequent flier" points associated with some airline-affiliated credit card programs, would be a first for an auto marketer.

It's expected there will be a cap on the total discount a cardholder can obtain.

Agency sources have confirmed that McCann-Erickson Worldwide, New York, will handle the estimated $70 million rollout, as expected (AA, June 24).

The launch is anticipated for early 1992, though lingering concerns about the economy could force a delay.

GM last week reported losing $1.06 billion in the third quarter, leading to concerns about starting a major program at this time.

Sources have declined to talk on the record because GM remains tight-lipped about the project, refusing to confirm that a credit card is in the works.

GM spokesman Tom Pyden acknowledged the hiring of Ron Zebeck (AA, Oct. 7) but wouldn't confirm whether he will be responsible for running the program. Mr. Zebeck had been VP-marketing at Advanta Corp.'s Colonial National Bank, the nation's 24th-largest issuer of credit cards.

The agency review was largely conducted by Philip Guarascio, GM's executive-in-charge of corporate marketing and advertising, but Mr. Guarascio delayed naming an agency until Mr. Zebeck was on board and could provide input on the decision.

Other GM agencies that pitched were Leo Burnett USA, Chicago; D'Arcy Masius Benton & Bowles, Bloomfield Hills, Mich.; and N W Ayer, New York and Detroit.

McCann Direct is expected to be involved in the launch because direct marketing will likely play a significant role in signing up GM vehicle owners.

The media campaign will be aimed at both recruiting users and persuading them to use the cards.

The program will be a MasterCard "affinity" setup, in which Banc One Corp. will issue the cards. The cards will carry the logos of both the bank and GM. GM will get an estimated 1% to 2% of the charge volume generated.

Ford Motor Co. and Volkswagen U.S. are also operating credit card programs as ways to enhance owner loyalty.

Ford's financial subsidiary, the Associates, in June began issuing MasterCard and Visa credit cards with no annual fee plus a rebate of 1.5% on annual purchases.

MBNA America Bank issues the VW affinity card, launched in midyear with no annual fee and a yearly 3% rebate on purchases. □

Jon Lafayette and Kate Fitzgerald contributed to this story.

Ad community feels losses from fire

By Alice Z. Cuneo

OAKLAND, Calif.—About a half-dozen agency executives lost their homes last week when fire swept through the hills that overlook this city.

Bob Hoffman, president-creative director of Hoffman/Lewis, lost his 1920s Tudor-style house, which he had only recently bought.

At the time of the fire, he and his wife were in different parts of the Bay area and were unable to reach each other, creating a "mirror of the horror of the earthquake" of 1989, Mr. Hoffman said.

Sara Ecker, an account supervisor at J. Walter Thompson USA, San Francisco, who plans a December wedding, also lost her home.

Others who work in the industry in San Franciso who lost their homes included Mario Valencia, assistant treasurer at Gardner Communications; Bob Finkel, a copywriter at Viacom/FCB; and Robert Werts, partner at Carney & Werts.

Twenty Clorox Co. employees had to evacuate their homes, and nine of those homes were destroyed, a company spokesman said.

Dozens of others in the ad community were forced to gather a few possessions and flee the area. Damage in the fire was estimated at $5 billion.

"It was pretty terrifying," said John Yost, senior VP-general manager at Hal Riney & Partners, San Francisco. The fire missed Mr. Yost's home.

"We were really lucky," he said. □

NAD dips into spaghetti sauce fight

By Janice Kelly

NEW YORK—Campbell Soup Co. was one of seven advertisers that modified claims reviewed in September by the National Advertising Division of the Council of Better Business Bureaus.

NAD canned commercials for Prego spaghetti sauce, from FCB/-Leber Katz Partners, following a complaint from Ragu Foods.

Ragu said the spots erroneously communicated a claim that each variety of Prego sauce (Prego and Prego Extra Chunky) is thicker than each variety of Ragu. Also, Ragu stated it was unfair to compare Prego to a thin sauce while omitting mention of thicker Ragu varieties.

Campbell said it's entitled to select any target for its advertising, provided the two products being compared have been adequately identified. Ragu Old World Style was selected because it was the original variety of the line and retains the largest market share.

NAD agreed Campbell can select the target for its ads without noting whether other Ragu varieties more closely resemble Prego sauce in consistency.

But NAD concluded that one TV spot failed to identify the target variety in the audio segment; the specific names of the varieties were used only in the first seconds of the commercial and the later references to the brands were all in general terms. So NAD recommended current ads be modified to reflect those concerns.

Campbell said it would consider NAD's concerns in future ads and in modifying current ads.

Other ads modified or discontinued:

Abbott Laboratories (Selsun Blue and Extra Medicated Selsun Blue dandruff shampoos; Laurence, Charles, Free & Lawson): Procter & Gamble Co. objected to two TV spots claiming: "Selsun Blue relieves dandruff flaking better than Head & Shoulders, Denorex and Tegrin," and Extra Medicated Selsun Blue contains "the medicine doctors recommend most. Medicine that relieves flaking better than Head & Shoulders."

P&G said any comparison should be made with its Intensive Treatment formula, not its regular formula. P&G also said the reference "regular formula" was inaccurate. The white bottle formula is available in two versions: Normal to Oily and Normal to Dry.

NAD concluded the Extra Medicated Selsun Blue spot should be modified since a Head & Shouiders product wasn't shown and the super described it inaccurately as the regular formula. Abbott agreed to stop airing the disputed ads and to end references to P&G's "regular formula" in future comparison ads.

Albany International Corp. (Primaloft garment insulation; Damian Bisch & Partners): United Feather & Down challenged several ads appearing in garment industry trade magazines claiming: "Primaloft, preferred by experts 3-to-1 over down." United Feather said the headline implied that a survey had been conducted or that the named companies had expressed a preference for Primaloft. It also said the ads stated an unsubstantiated overall superiority claim. NAD recommended the claims be qualified.

Albany said there are no current plans to extend the use of the trade ads and will take NAD's concerns into account when developing future ads.

Phone Programs USA ("T2 Telephone Sweepstakes"; in-house): The Children's Advertising Review Unit challenged a commercial that appeared on an independent station during children's programming. The spot invited the viewer to "enter the 'T2 Telephone Sweepstakes' and lend the Terminator a hand, because he's going to give you his." CARU said "teleprograms for children should consist of totally self-contained story lines or completed audio products." Phone Programs said it will consult CARU when placing ads for future teleprograms.

Saab Cars USA (Saab 9000 CD Turbo car; Angotti, Thomas, Hedge): BMW of North America challenged newspaper and magazine ads claiming: "The Saab is faster, larger, safer and better protected. Unfortunately, it's less expensive. . . . " Other claims included: "It's one of the safest cars in the world," based on accident reports compiled by the Highway Loss Data Institute.

NAD said the information on the car's safety features and record alone wouldn't substantiate the comparative claim that it was safer than BMW. NAD also questioned the use of the term "accident reports" to characterize the institute's reports. Saab said it will try not to use the term in future ads and won't run the comparative ads in the future.

Toys "R" Us (in-house): NAD questioned a newspaper supplement headed: "The world's biggest toy store. Lowest prices guaranteed." After that supplement, but before the NAD inquiry, Toys "R" Us created a new campaign, running in October, that said, "Our price guarantee can't be beat," with the accompanying disclosure statement, "We guarantee our low prices." NAD said the revised claim and disclosure eliminated the issues. Toys "R" Us said it will eliminate a percent-off sales claim.

ConAgra (Healthy Choice frozen dessert; Campbell-Mithun-Esty, Minneapolis): Kraft General Foods, marketer of Breyers and Sealtest ice creams, questioned ads that claimed: "Healthy Choice ice cream has a premium quality taste equal to Breyers and Edy's. All the creamy taste of the richest ice creams." Kraft said in a taste test consumers preferred Sealtest vanilla ice cream to Healthy Choice vanilla. ConAgra said the ad has been revised, and comparisons to named brands and to "the richest ice creams" have been omitted.

Claim substantiated:

Anheuser-Busch (Bud Dry; DDB Needham. Worldwide, Chicago): Coors Brewing Co. complained about TV spots claiming: "Why are beers that go down so lightly watered down so heavily? Turn off the water and turn Bud Dry. Its smooth, draft taste is dry-brewed, not watered down. To drink light, yet satisfy completely. So why get soaked—when you can drink Bud Dry?" NAD concluded Anheuser-Busch had substantiated its claims. □

Lean Cuisine tries to heat up

By Julie Liesse

Stouffer remembers when Lean Cuisine was the hottest name in the freezer case. And with a new $15 million to $20 million ad campaign, it hopes to bring some of that magic back to the battered franchise.

In the past year, Lean Cuisine's share of the frozen dinner and entree category has fallen to 7.8% from 8.9%, according to Nielsen Marketing Research. That places the Stouffer Foods Corp. brand second in a dead heat with H.J. Heinz Co.'s Weight Watchers and nearly 3 share points behind ConAgra's Healthy Choice.

The marketing team that took over at Stouffer a year ago has already reformulated the 10-year-old line to be competitive with Healthy Choice in fat, cholesterol and sodium levels. Ten new entrees were added in February, with prices lowered across the line.

Stouffer last week broke a network and spot TV campaign, the brand's third creative positioning in a year.

"Since May, we've been working on a long-term campaign that expresses what Lean Cuisine has and what people eat for: taste," said Thomas Schafer, senior partner at agency Tatham/RSCG, Chicago. The two previous campaigns "were designed to level the playing field, more stopgap solutions."

The new campaign starts with two 30-second spots featuring consumers remembering when "you didn't worry about what you ate." One spot says: "Salt? Hey, no problem. Cholesterol? Who knew?"

The tagline is "The taste you can love for life."

Both commmercials use a male voice-over; one features a man as the Lean Cuisine consumer.

"We thought it was an opportunity to bring more men into the Lean Cuisine franchise," said Ed Marra, Stouffer's senior VP-marketing.

Print ads are scheduled to follow at the start of 1992, and several additional TV spots are in the works, Mr. Schafer said.

Despite the Nielsen numbers, Mr. Marra said, "Lean Cuisine's been gaining back volume all year." Nielsen does show that for the year ended Sept. 7 Lean Cuisine's unit volume was down only 7%, compared with the 11% drop in dollar sales—perhaps reflecting the impact of the price cut.

"I think what we are going to recapture is the magic of the Lean Cuisine and Stouffer [red box] combination," Mr. Marra said.

He said he thinks Healthy Choice is more vulnerable today because of "more competition—and more aggressive competition—and because of the overproliferation of the Healthy Choice brand. It's hard to execute and hard to maintain brand equity across so many categories."

ConAgra's latest additions are extra-lean ground beef and spaghetti sauce. They join a Healthy Choice franchise that's approaching $500 million in total sales. □

Falling share

Healthy Choice this year surpassed Lean Cuisine and Weight Watchers in its dollar share of the frozen dinner and entree category.

Brand	Share as of 9/8/90	Share as of 9/7/91
Healthy Choice	7.6%	10.7%
Lean Cuisine	8.9	7.8
Weight Watchers	9.6	7.8

Figures are share of 52-week dollar sales for the combined frozen dinner and entree category. Source: Nielsen Marketing Research

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LETTERS

Hot, not cold, and why

Your recent special issue on Magazines in America (Oct. 6) was a disappointment to us, as I'm sure it was to our client, Forbes Inc. . . .

At the moment, *Forbes*, which ranked 17th in ad pages among all PIB-measured magazines when Doremus acquired the account, rose to No. 2 by the end of 1990, and is now No. 1. . . . Its modest page loss through September is small compared with most other magazines in this tough year. And *American Heritage*, a past winner of three National Magazine Awards for General Excellence, is one of the few magazines ahead in pages for the year.

In my opinion, based on the strength of editorial, circulation quality and advertising success, Forbes Inc. is in remarkable shape for the future. Whose long-term record is better?

Yet, *Advertising Age* rated *Forbes* more cold than hot, with only a two out of a possible four. Half of the magazines you rated scored higher. *Newsweek*, down 17.49% in the first nine months, rated a three, as did Time Warner (with *People* down 12.81%, *Sports Illustrated* down 14.71%, *Fortune* down 16.35% and *Time* down 20.04%). While acknowledging Time Warner's $8.9 billion debt and the rumors that it may spin off its magazines, you still rate their prospects higher than Forbes!

Specifically, for a publication that says its forecasts are going to focus on the present and the future, your review of Forbes Inc. includes the following: 1) The death of Malcom Forbes; 2) Gratuitous mention of unnamed competitors' claims that *Forbes* negotiates rates and inflates page counts. (For the record, *Forbes* negotiates no rates. While *Forbes* originated none of its page incentive plans, it has met every plan offered by its competitors. What's more, all *Forbes* incentive plans are detailed in its rate card.); and 3) Volunteers that ". . . there is still a lingering odor from the failure last year of the poorly conceived *Egg*." Where does that odor linger? With *Advertising Age*? How many other magazine groups have experienced failed start-ups that were not mentioned?

Your reporter made no mention of: 1) *Forbes FYI*, the one-year-old quarterly lifestyle supplement that just published its record issue; 2) *Forbes'* international success with the German monthly, *Forbes von Burda*, and the new Chinese venture, *Forbes Zibenjua*; and 3) The simple fact that *Forbes* is now No. 1 among all PIB magazines in total advertising pages.

Advertising Age is entitled to its own opinion concerning which publications are hot or not, but it does seem to me that your forecasting is flawed. If the consensus among magazine publishers is that "the good old days are gone," then I am at a loss to understand how biweekly *Forbes* could rank so low when it has just become the nation's No. 1 magazine in ad pages.

Forbes' gutsy editorial and quality circulation have produced a great advertising success story. If this success, patiently pursued and promoted over more than two decades, is not a solid indicator of probable future progress, then I'd be interested in learning the basis on which editors make their puzzling prognostications.

Curtis Toreger
Chairman, Doremus & Co.
New York

Hispanic print growing

Your Magazines in America 250th anniversary issue was a bold move, and certainly appropriate for the times. I wonder how, though, in looking toward the future, you could neglect to recognize the impact Spanish-language media are having in the marketplace.

Print, as a medium for targeting Hispanics in large numbers, is only just *beginning* to flourish and is fast becoming a valuable tool for national marketers. While it is certainly small, it is definitely a part of the total story regarding changes in media in the U.S., and merits recognition.

Michelle S. Aragon
Vice chairman, Conill Advertising
New York

TAB ready to measure

In the Sept. 9 issue, you carried an observant editorial entitled, "The CPM benchmark under attack." We could not agree more with the comment that "we suspect a problem for non-traditional media will always be the lack of measurement. Most clients want some proof of performance, even if it is only how many pairs of eyes were exposed to the [ad]."

In fact, it was this need on the part of the advertising industry that brought about our reorganization some months ago to become the Traffic Audit Bureau for Media Measurement—a central source for the verification of all forms of out-of-home media. Most non-traditional media fall in this classification, and we have already audited ski-area displays and will shortly do the same for various in-store media forms, as well as a variety of others.

The TAB stands ready to tackle those auditable media not currently being certified so that CPM is not the only measurement of fulfillment and delivery.

Ken Sammon
President, Traffic Audit Bureau
for Media Measurement
New York

FREEZE FRAME

A bad omen

Who says we don't have truth in advertising?

This ad ran in September magazines in Florida. It warned people to ". . . look before you leap," and showed a pelican doing an impassioned *kamikaze* dive.

Southeast Bank failed and was taken over in late September. How much more truthful can one be?

Loren M. Seager
President, Intersouth
Creative Group
Tampa, Fla.

Grammar ain't easy

In response to Douglas Groner's remarks (Letters, AA, Sept. 30) about the grammar in our "Home Theatre" ad, Ed Crowne, our proofreader of 10 years, replies:

1) The adverbial form "easily" is also "easy." See Webster's.

2) VCR's. Standard reference texts make it clear that this plural may be formed with or without the apostrophe at the discretion of the author. Consider "pj's."

3) Reference texts state unambiguously that collective nouns (such as "line") may take a singular or a plural verb depending on intended meaning.

4) Resolution of "as- . . . than" is more troublesome. A brief, preliminary examination gives little or no reason to reach a conclusion one way or the other.

In closing, we wish to thank Mr. Groner for his concern, and for comparing us to Frank Perdue. Mr. Perdue became quite successful cutting up his chickens. We consider it something of an honor to do as well as with words.

David Fowler
Senior VP, Ammirati & Puris
New York

Advertising Age welcomes letters to the editor, but we ask that they be held to no more than 250 words in length. Address letters to Advertising Age, *Viewpoint Editor, 220 E. 42nd St., New York 10017.*

CORRECTIONS & CLARIFICATIONS

- Eric Lefton was misidentified in an item noting his promotion to VP at DDB Needham Worldwide, Chicago (AA, Oct. 21, P. 46).
- Wieden & Kennedy, Portland, Ore., handles print placement for Nike. SFM Media, New York, buys broadcast media but not print (AA, Oct. 14, P. 4).
- CGRW Advertising, Los Angeles, retains Fidelity Federal Bank as a charter client, not First Fidelity Bank as reported (AA, Oct. 7, P. 3).
- A chart showing the number of National Magazine Awards won per magazine ranked *The Atlantic* and its previous incarnation, *The Atlantic Monthly*, separately (AA, Oct. 6, P. 36). The magazine won a total of 13 awards, tying it with *The New Yorker*. □

'Leaders' issue corrections

The following corrections concern profiles in the 100 Leading National Advertisers special issue published Sept. 25:

Sales and earnings for **Campbell Soup** Co. for 1991 and 1990 fiscal years were transposed *(Page 12)*. The following table is the corrected version:

SALES & EARNINGS ($ in millions)			
Worldwide	**1991**	**1990**	**% chg**
Sales	6,204	6,206	(0.03)
Earnings	403	4	90.2
U.S.	**1991**	**1990**	**% chg**
Sales	3,912	3,933	(0.5)
Earnings before taxes	633	371	70.6
Division sales	**1991**	**1990**	**% chg**
Campbell N.A.	3,912	3,933	(0.5)
Campbell Canada	352	384	(8.3)
Pepperidge Farm	569	582	(2.2)
International Biscuit	219	195	12.3
Campbell International	1,223	1,197	2.8

Eastman Kodak Co.'s U.S. sales should have been $10.663 billion in 1990 vs. $10.869 billion in 1989, down 1.9%, and earnings from operations, $1.698 billion in 1990 vs. $785 million, up 116% *(Page 30)*.

I. Magnin & Co.'s Alvin Somers, sr VP-marketing/sales promotion, should have been included in personnel under the profile of I. Magnin's parent R.H. Macy & Co. *(Page 46)*.

Tom Schafer is the senior partner at Tatham/RSCG on **Nestle's** Lean Cuisine account. Robert Hielscher is managing partner as listed *(Page 52)*.

Teddy Borsen, associate creative director at Ketchum Advertising, New York, and co-creative group head on **Pfizer's** Coty account, was misidentified *(Page 56)*. □

BUSINESS TO BUSINESS

ADVERTISING AGE & BUSINESS MARKETING • CRAIN PUBLICATIONS

MEDIA BUYING & PLANNING

As

RECESSION REIGNS

No rebound in sight

As dollars vanish, one exec exclaims: 'I've never seen anything like this'

By Gary Levin

As if anybody didn't already know it, the recession has hit the business-to-business marketing community with a vengeance, and industry executives believe the changes it has wrought will become a permanent part of the business-to-business landscape.

A survey of advertisers and agencies conducted by Beta Research Corp. for *Advertising Age* and *Business Marketing* confirms the bleak picture many have painted for more than a year.

More than 60% of agency respondents say the recession has led clients to cut business-to-business media budgets this year, while another 26% say budgets are the same as in 1990.

Clients seem more optimistic—or at least less willing to own up to the recession's bite. More than 43% of clients surveyed report budget increases, while 41% say spending levels are flat and less than 15% say budgets are being cut.

"Our budgets are down over last year, but not as far as they could be because of new-product introductions," says Tom Mathie, manager of marketing communications for Westinghouse Electric Corp.'s distribution and controls business unit.

Still, that unit's total marketing budget is off 25% this year, he says.

Like many business marketers, Westinghouse is cutting media advertising and other areas it feels are less related to direct sales. In addition to media, allocations for trade shows and collateral efforts are suffering most, Mr. Mathie says.

"Because of the recession and the way marketing is being done these days, more resources of a firm like ours are moving toward marketing functions other than advertising," says John Casteel, manager of marketing communications at Dow Corning Corp.

Proportionately speaking, "more is going into direct marketing, more is going into trade shows and more into public relations," Mr. Casteel says.

But rather than increasing, budgets for those disciplines "are holding their own while [trade] advertising suffers a big hit," he says.

Indeed, more than 56.4% of the clients surveyed say business media advertising is now less effective than non-media marketing efforts.

Still, specialized business publications continue to rank at the top of the list of media getting the largest percentage increase by both clients and agencies, although many are consolidating their buys among fewer titles, according to survey results.

Steve Bjorkman

And contrary to Dow Corning's strategy, trade shows are mentioned most often—by nearly 20% of clients—as the most likely target for budget cuts.

Agency executives, normally ranked among the eternal optimists, are nearly uniform in their assessments of a troubled marketplace.

Since June, "I've noticed a lot of clients cutting out [budgets for] the rest of the year," says Lee Courtney, media planner and buyer for Mintz & Hoke, Avon, Conn. "They say '92 is going to come back, but once again I think that's probably not true."

"I've never seen anything like this in my life," says a blunt Fergus O'Daly, chairman-ceo at Poppe Tyson, New York, a business-to-business agency unit of Bozell, Jacobs, Kenyon & Eckhardt. "Here we have almost daily in the newspapers [reports of] complete turmoil. It seems like there's no bastion that's safe."

Worsening the near-term outlook is Mr. O'Daly's belief that business-to-business marketers "are often the last to come back to their budgets" following a recession because plant cutbacks result in reduced inventory.

"If the consumer market starts to move quickly, it's a little hard to start up a plant and move inventory" in a hurry, Mr. O'Daly says. That often leads to a four- or five-month lag until supplies can be boosted. "You don't advertise something you don't have to sell," he says.

After months of declines, spending levels appear to have flattened out at best, and even in must-have areas such as collateral and product

(Continued on Page B-30)

INSIDE

Toss out the schedule: Cancel and shift clauses grow critical..... B-8

"Open candy shop": Value-added options make lasting impression. B-8

Hemorrhaging slows: Bid to balance trade books, shows, direct..... B-23

Aiming straight: Direct response a driving force in budgets..... B-26

Logistical nightmare: Getting an OK hard for integrated ad efforts.. B-28

Edited by Julie Steenhuysen

ABOUT THE SURVEY

To precisely gauge opinions on business-to-business media and marketing activities, *Advertising Age* and *Business Marketing* commissioned Beta Research Corp., Syosset, N.Y., to conduct a telephone survey this summer.

The randomly selected sample of 202 respondents, split evenly between advertisers and advertising agency executives, reflects a statistically projectable representation of industry opinion.

Cover illustration by Steve Bjorkman

Tossing the schedule out the window

Cancel and shift clauses critical for clients, agencies in such a staggering ad market

By Joe Mandese

Ask a business press publisher how many ads are running in the next issue and chances are the answer will be, "We'll know when we print it."

In this environment, an insertion order doesn't necessarily translate into a page of paid advertising.

With most business advertisers feeling the recessionary pinch, their agencies are insisting on—and often getting—greater flexibility in their media commitments. The contingencies allow their clients to pull out at the last minute to shore up their bottom lines.

"There is a great deal of volatility in scheduling and there's a lot of shifting around of schedules," notes William Mackey, VP-director of media and planning for Rumrill-Hoyt, Rochester, N.Y.

According to a recent Beta Research Corp. survey of agency media executives conducted for *Advertising Age* and *Business Marketing*, three-quarters of the respondents say cancel and shift clauses were important elements of media plans.

Nearly two-thirds of the respondents say they exercise such clauses frequently.

Normally, advertisers who cancel ad schedules and fall below contracted order levels are forced to pay higher ad rates. But agency media executives say increasingly conciliatory business media reps frequently turn a blind eye in an effort to keep the client's business.

Steve Bjorkman

"There's a lot of weird stuff going on," adds Robin Donovan, VP-media director of Mason & Madison, New Haven, Conn.

By "weird stuff," Ms. Donovan means greater contract flexibility. She says the practice usually is implicit rather than overt.

"Publishers don't really want to publicize it. They want to make you feel like you're a special situation."

But most business media buyers say it's a universal trend.

"It really depends on how close you get to the contract fulfillment. If you're just a little shy of it, a lot of times the publisher will not bill you for the space that did not run. It depends on how far you've missed it," explains Tyler Schaeffer, VP-associate media director of FCB/Leber Katz Partners, New York.

"If you miss a 250-page contract by 75 pages, that's one thing. If you miss 250 pages by 10 pages, I can't imagine a publisher short-rating you on the whole ball of wax," Mr. Schaeffer adds.

Mr. Schaeffer says some buyers now are inserting clauses in their insertion orders that give them contractual rights to cancel or shift their budgets—sometimes to other parts of the publisher's operations.

But business publishers say they're not detecting any significant changes in the wording of their media contracts.

"Contracts are a declaration of intent. And if you don't run, you get short-rated. I haven't heard of anyone who is giving up short-rating people who don't live up to their contracts," says American Business Press President John Emery. But he says ABP hasn't polled its membership recently on the topic.

While Penton Publishing hasn't revised its media contracts to include such clauses, Senior VP Jerome Neff has noticed more clients waiting until the last possible minute to commit to buys.

"It's safe to say that we have fewer and fewer long-term contracts," he says. "In the past, we may have had as much as 60% or 70% of our salesmen's space in an issue contracted for in advance. Now it may be 10% or 20%."

As a result, his sales force must spend more energy closing orders that remain open until the last minute.

"If that's had a direct impact on how many pages we carry, it's pretty difficult to measure," Mr. Neff says.

"But it has certainly has an impact on the amount of time that our salespeople can spend in front of customers selling the virtues of our magazines."

Whether written loopholes or implicit understandings, most buyers and sellers in the business press acknowledge that tight ad budgets and greater uncertainty over ad spending are leading to more flexibility and creativity in managing magazine ad contracts.

"I'm hearing so much creativity that my head is spinning," Ms. Donovan says. □

Riding the recession

What's the outlook for business-to-business media?

"Business-to-business marketing is moving away from [traditional] media advertising. . . . It's turning to forms of communication that are more targeted and, in some cases, more interpersonal, such as trade shows, and direct sales supported by direct mail, and sales promotions such as events and seminars."

"There will still be a place for the strong publication in any industry, but I don't think there'll be a place for three or four in each."

—John Casteel, marketing communications manager, Dow Corning Corp.

Interviewed by Sandra Pesmen.

J. Casteel

Published prices just don't rate

Advertisers are asking for—and getting—more bang for their ad buck

By Bradley Johnson

Trade books' rate cards don't rate the same respect they used to.

The economy has played a major role in rate card reduction. More than half of agency executives say rate discounting is more active now than before the recession, according to a Beta Research Corp. survey commissioned by *Advertising Age* and *Business Marketing*.

Left unsaid is whether those are negotiated discounts given to individual advertisers or deals such as frequency discounts or free premium positions offered to all comers.

Membership rules of American Business Press, a group that represents about 750 trade journals, prohibit offering space to one advertiser at a rate below that available to others.

But both cut-rate deals for individual customers and discount programs for all advertisers have become common in this recession.

Many publishers—including Cahners Publishing Co., the industry's biggest trade publisher, and Crain Communications Inc., whose titles include *Advertising Age* and *Business Marketing*—say they will not negotiate rates with individual advertisers.

"We do not negotiate rates," says Joe Cappo, Crain senior VP-group publisher and senior VP-publisher of *Advertising Age*. "It's a corporate policy that everybody pays the same published rates."

That doesn't mean everybody gets the same deal. Crain and Cahners, for example, both reward bigger advertisers with volume discounts and an assortment of value-added offerings (*see related story on Page B-8*). It's up to the advertiser to decide just what mix of extras offers the best deal.

"In magazine space buying and selling, rates are negotiable," says Richard Hamilton, senior VP-media director at D'Arcy Masius Benton & Bowles, New York. "Our ingoing belief is that off-card rate dealing of one sort or another is possible in a majority of cases" with business publications.

Even if a title won't budge on its official rate, Mr. Hamilton says, it often is willing to throw in a premium position or some other extra in the name of "value added."

For the advertiser, the end is the same—more bang for the buck—regardless of whether a deal is couched as a discount or a value-added program.

In the *Ad Age/Business Marketing* survey, 43.6% of media buyers surveyed say at least a fourth of their media placements carry a discount off published rates. More than a third of respondents say the average discount is 5% to 10%, including straight dollar negotiations and incentives, such as frequency discounts.

Three-fourths of the media buyers say the average discount is 20% or less.

The results reflect a sea change for trade magazines, says ABP President John Emery.

Discounting was "almost non-existent" in trade advertising until about five years ago, he says. But then negotiated rates, after spread-

(Continued on Page B-8)

Recession rams rate cards

Has the recession resulted in more or less active rate discounting (percentage of agency respondents)?

What percentage of your print media placements are now made at a discount off published rates (percentage of agency respondents)?

Less than 25%	54.5%
25%-50%	29.7%
51%-75%	4.0%
76%-100%	9.9%
Don't know	2.0%

What is the current average percentage discount off published print advertising rates–including straight dollar negotiations and incentives such as frequency discounts–and what was the average discount before the recession?

	Percentage of agency respondents saying:	
Amount of discount	Current discount	Discount before the recession
Less than 5%	18.8%	48.5%
5%-10%	34.7%	22.8%
11%-20%	21.8%	11.9%
21%-30%	6.9%	3.0%
More than 30%	4.0%	2.0%
Don't know	13.9%	11.9%

Source: Beta Research Corp.

CYNTHIA WATSON

'Open candy shop'

Cornucopia of value-added options makes a lasting impression on eager advertisers

By Bradley Johnson

There's very little a media company won't do these days in the name of value-added services.

And advertisers are hooked.

Cahners Publishing Co. is working on a package for a key advertiser in which it will produce custom newsletters, prepare advertorials, print brochures, generate direct mail to the client's customers and dispatch editors to talk at client sales meetings. The package is the largest ever attempted by the trade publisher, says Chuck Moodhe, senior VP-general manager of Cahners' Chicago division. Costs for the services have yet to be negotiated.

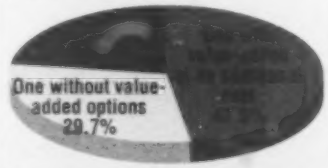
Except for the advertorials, these efforts are only tangentially related to selling more ad pages. In the name of added value, the trade publishing giant thinks it can boost its client's business, make a buck recycling its own resources and, over the long run, sell more ads by building a relationship.

"We're making our resources available to people to help them increase the sales of their product as opposed to just giving them some cut-rate way to run their advertising," Mr. Moodhe says.

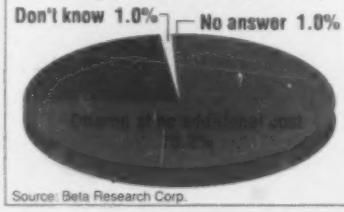
"This is not something that's going to give [us] more space in the October issue. Are we going to get more advertising space out of them this year? I would think so," he says.

Opting for added values

If a media decision came down to a choice between one of two properties, which one would you favor (percentage of advertiser respondents)?



Do you expect to pay more for value-added options or do you expect them to be offered at no additional cost (percentage of advertiser respondents)?



Source: Beta Research Corp.

CYNTHIA WATSON

At its worst, value added is simply a euphemism for "discount."

At its best, it taps a publisher's resources to give clients ideas, products or services they wouldn't otherwise have—all ways of stretching a client's marketing budget.

Clients like that.

The Beta Research Corp. survey of business advertisers for *Advertising Age* and *Business Marketing* indicates many business advertisers are so enamored with value-added options that they're willing to pay extra for them.

More than 75% of clients responding to the survey say they don't expect to pay more for value-added options. However, if it came down to a choice between no value-added options or those offered at an additional cost, 47.5% say they'd rather pay for them than do without.

"I really encourage our agency to go after the added value, the merchandising, [the] promotional side," says Marty Brandt, communications manager at Sun Microsystems, the computer workstation marketer. "I am not as interested in knocking the price off as I am in getting some added value."

Mr. Brandt and his agency, Anderson & Lembke, San Francisco, are considering separate offers from International Data Group's *CIO* and CMP Publications' *InformationWeek* to sponsor luncheons that would bring together Sun and its customers. "It's a chance to get some feedback," Mr. Brandt says.

Sponsoring lunches, cocktail parties and seminars are among the

(Continued on Page B-10)

Rate cards

(Continued from Page B-7)

ing from broadcast to consumer magazines, began infiltrating segments of the business press, Mr. Emery says.

Trade discounting took off with the recession. Mr. Cappo figures half of business magazines "are wheeling or dealing their pages in some way," he says.

Chuck Moodhe, a Cahners senior VP, estimates 25% of trade publication ads are being written with rates negotiated off the card.

The fiercest discounting—including cutting special rate deals with individual advertisers—comes from second-tier publications, publishing and advertising executives say.

But pitching price as a title's main virtue doesn't necessarily go over with advertisers.

"There's a damaged goods mentality there" when a magazine offers a cut-rate deal, says Marty Brandt, communications manager at Sun Microsystems. "If there's something fundamentally unstable about the publication or the audience they deliver, discounting it another 10% or 20% isn't going to make it much more attractive."

'When we see heavy discounting, we start to question what's going on'

Major discounting can signal that something is amiss, advertisers say.

"When we see heavy discounting, we start to question what's going on," says Cheryl Coultas, an account supervisor at Dahlin Smith White, Salt Lake City. "We want to advertise in the healthiest publications."

Though the recession may be ending, discounting shows no signs of waning.

Robert Coen, senior VP-director of forecasting at McCann-Erickson Worldwide, New York, says trade publications overall will be lucky to get a 3% to 5% rate increase for 1992, about even with this year.

Trade publishing, with the exception of generally healthy pockets, such as computer titles, remains depressed, meaning continued pressure for discounting to generate revenues.

"As our beloved president would say, 'Can we put the genie back in the bottle?' " Mr. Cappo says. "I'm not sure we can." □

'Candy shop'

(Continued from Page B-8)
more popular ways trade magazines cater to their clients.

Other ideas on the value-added menu include marketing research, such as testing ads with focus groups, and offering services at trade shows, including distributing client brochures, providing premiums and even putting up outdoor boards promoting the client.

"It's all negotiable, and it's only limited to the clients' and publications' imagination," says Cheryl Coultas, account supervisor at Dahlin Smith White, Salt Lake City.

Some media companies, including Crain Communications Inc., publisher of *Advertising Age* and *Business Marketing*, dole out a certain dollar amount of value-added benefits with set formulas based on how much an advertiser spends. Others, such as Cahners, are more flexible—leaving the door open to hard bargaining by the advertiser.

'I really encourage our agency to go after the added value'

"We have to focus the package to meet the needs of the advertiser," says Ira Herenstein, exec VP-computer and communications group at McGraw-Hill.

"One might want the stock report . . . one might want mailing labels, one might want the breakfasts, and somebody might want them all. If you give us enough advertising, it's an open candy shop," he says.

With advertisers seeking out value-added deals, small publishing companies are hard-pressed to match the resources of a giant. Mr. Moodhe boasts that Cahners—with its massive data base, printing clout and advertising and editorial resources—can create co-op ad programs, translate ads to reach foreign audiences and even print sales materials cheaper than a client can do on its own.

The emphasis on value added is an outgrowth of the recession, which forced publishers to find new ways to sell ads and generate revenues. But value added won't disappear with the recession.

"I don't think we ever really looked at our resources" until this recession, Mr. Moodhe says. "It's forced us to take a good, hard look at how we operate. We're learning all of the resources or talents that we have had available. We're enjoying our economies of scale and learning of their asset value for the first time."

But advertisers, accustomed to getting value-added services free, have mixed feelings about paying for the passel of services offered by Cahners.

"My problem is, as a buyer, I don't expect to pay for value added," but think it should be thrown in at no additional cost, says Ms. Coultas, whose agency places ads for Intel Corp., the semiconductor giant, in Cahners titles.

Still, she says she believes advertisers will be willing to pay for some of Cahners' non-advertising services.

Although Cahners has expertise in some areas—such as research and printing—tied to the business of magazine publishing, its ability in other areas like creating direct mail must be proven, Ms. Coultas says.

"I would definitely be interested in the programs they have available," particularly in research and printing, she says. "[But] I'm skeptical about the creative services that they may be offering." □

Kate Bertrand contributed to this story.

Riding the recession

How have your dealings with the media evolved during the recession?

"We don't see much going off rate cards.

"We're seeing much more bundling discount structures with sister publications [within one company]. If you advertise in one, you get a discount in another, so if you have six insertions in three different publications, you're effectively earning the 18-times rate.

R. Owens

"The other mechanism is bundling additional services with basic advertising. Traditional things you see are merchandising to distribution networks, such as sending out copies of the publication with a cover letter from the publishers saying, 'We want you to know that Poqet is running an ad this month and you'll be getting leads for your sales force or dealer network. They're also doing 'did you buy?' studies and follow-ups."
—Robert Owens, director of marketing communications, Poqet Computer Corp.

"One thing we hadn't seen before is that more than one publication offered to give us the findings of specialized research reports they commissioned at their own expense as an enticement to advertise.

"They will commission a special study on the [software] industry, or on how business leaders make their MIS decisions. When they say, 'We would like to present this research to you to use for your own marketing purposes,' it is very interesting to us. It's tempting. This is a new market offering they're making now that wasn't always there."
—Karen Buttermore, marketing communications manager, KnowledgeWare

K. Buttermore

"We've probably had a greater emphasis on marketing public relations than before the recession, making sure to cover our bases across all the trade media with case histories and new products application stories. We've had very good results in terms of product interest and leads.

R. Dinsdale

"I can't say those [magazines] we're dealing with have shown a whole lot in discounts. Should they? Should we offer discounts to our customers in tough times?

"Probably not. We have to make an honest buck and so do they."
—Richard Dinsdale, marketing communications manager, 3M Co. Electro Products Group

Interviewed by Sandra Pesmen.

Slowing down the hemorrhaging

Marketers shift, now favor balance of trade books, shows and direct mail

By Betsy Spethmann

Business marketer retrenchment is helping trade publications weather the media recession.

Many companies this year have boosted their reliance on specialized business publications, according to a recent Beta Research Corp. survey of business marketers for *Advertising Age* and *Business Marketing*.

Although more surveyed advertisers have boosted direct-response efforts than business press placements, trade press received the single largest budgetary increase among the respondents.

Nearly 49% of respondents say their companies this year earmarked a larger percentage of marketing budgets for specialized business titles, compared with 53.5% bumping up direct-response activities. However, almost 29% say ads in trade books are getting the biggest percentage increase of total budgets.

That represents a reversal for business marketers, who for the past 10 years have cut the percentage they earmark for trade ads, says Peggy Nordeen, president of Starmark, a Chicago business marketing agency.

Recent mergers and reorganizations have made trade books more valuable to keep awareness high industrywide, when marketers can't be sure who their individual prospects are, she says. When marketers know their prospects, direct mail can be most effective, she says.

A recent survey by Starmark shows executives consider media ads the No. 1 tactic for "marketing to the recovery in 1992." Direct marketing and trade shows ranked Nos. 5 and 7, respectively, out of eight tactics.

This year's shifts in budget roughly correspond to respondents' perceptions of which media and marketing tactics are most effective in selling products.

When asked which three media and marketing areas were most effective in their ability to result in a sale, 64.5% cite trade books; 45.5% say direct response; and 42.6% cite trade shows.

The business-to-business tactic suffering most from the recession is trade shows, with 19.8% of executives saying trade show budgets have been cut more than any other tool, and 16.8% citing the economy as a reason for the cuts.

While marketers favored trade shows and direct mail in the '80s, they're now "seeing a need for balance, looking at each tool as part of the whole and better understanding each tactic's role," Ms. Nordeen says.

She cites three reasons marketers are relying more on trade ads. With more companies developing "buying committees," it's hard to directly target all the individuals who influence purchases.

High turnover among customers and prospects—exacerbated by the recession—also makes it tough to target individuals.

And aggressive marketers are taking advantage of a recession-induced marketing lull to reach prospects while competitors cut trade advertising, Ms. Nordeen says.

Marketers likely will devote more money to image and brand-building ads as the recession fades, says Steve Trygg, chairman-chief creative officer for Anderson & Lembke, New York.

Still, the return to more trade ads hasn't yet been a boon for publications. "The recession is hitting business publications less seriously than consumer books, but it's still serious," says John Emery, president of American Business Press.

Total ad pages from January through June this year are down 11% compared with the same period last year, according to MMS-Rome Reports, which tracks 692 business-to-business publications in 87 industries.

The continued growth of direct mail is a boon for publishers, who profit from renting their subscription lists. But that's "a mixed blessing—if all the advertising shifted to direct mail, there wouldn't be any lists to sell," Mr. Emery says.

Marketers will continue to use direct mail as part of integrated marketing strategies, Mr. Trygg says.

Trade ads and direct mail—especially using a trade publication's mailing list—are a strong combination, Ms. Nordeen says. □

Strong response for direct activities...

Percentage of client companies saying the following media and marketing areas are receiving a larger percentage of total business-to-business marketing budget in 1991 vs. 1990.

Direct-response activities	53.5%
Dealer/distributor materials	49.5
Specialized business publications	48.5
Trade shows	43.6
Research	30.7
Sales force	24.8
Conventions/seminars	22.8
Business directories/reference books	18.8
Local/regional business publications	17.8
Video	13.9
General business magazines	12.9
Newspapers	8.9
Public/investor relations	7.9
Cable TV	3.0

Percentage of agency media directors reporting medium receiving a larger share of clients' business-to-business media budgets in 1991 vs. 1990.

Direct mail	60.4%
Specialized business publications	44.6
Other direct-response activities	33.7
Video	21.8
Local/regional business publications	17.8
Cable TV	15.8
Radio	12.9
Business directories/reference books	11.9
Newspapers	7.9
Broadcast TV	7.9
General business magazines	5.0

...but trades are tops in effectiveness

Which media and marketing areas are most effective in terms of their ability to result in the sale of your company's or clients' products/services?

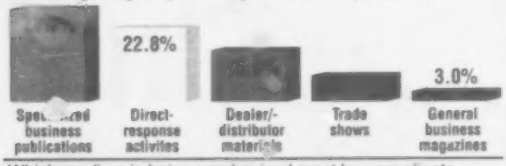
	Clients	Agencies
Specialized bus. pubs.	64.4%	78.2%
Direct-response activities	45.5	66.3
Trade shows	42.6	*
Dealer/distributor materials	33.7	*
Local or regional bus. pubs.	19.8	28.7
Sales force	18.8	*
Business directories	13.9	12.9
General business magazines	11.9	18.8
Conventions/seminars	8.9	*
Video	7.9	7.9

Notes: * represents options not asked of agency respondents; totals exceed 100% because respondents were asked to name three most effective.
Source: Beta Research Corp.

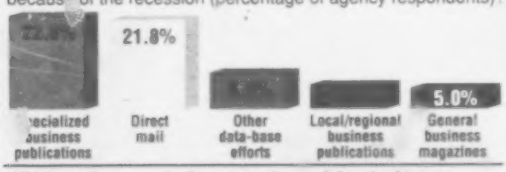
CYNTHIA WATSON

Specialized press trades on reputation

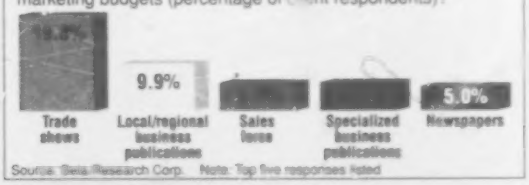
Which media or marketing option is receiving the largest percentage increase of 1991 business-to-business media and marketing budgets (percentage of client respondents)?



Which medium is being emphasized most by your clients because of the recession (percentage of agency respondents)?



Which media or marketing option is receiving the largest percentage decrease of 1991 business-to-business media and marketing budgets (percentage of client respondents)?



Source: Beta Research Corp. Note: Top five responses listed

CYNTHIA WATSON

Client caravan tries direct route

Budgets show driving force of direct-response efforts

When it comes to marketing dollars in today's economy, business marketers are taking the direct route to sales.

Of the clients responding to the Beta Research Corp. survey for *Advertising Age* and *Business Marketing*, 53.5% say direct-response activities are receiving a greater percentage of their budgets this year. Among agency executive respondents, 60.4% say direct mail accounted for a greater share of billings this year vs. last.

Further evidence of marketers' emphasis on sales-directed efforts is reflected in the emphasis on dealer/-distributor materials, with 49.5% of clients indicating a larger percentage of their total business marketing dollars are being directed there this year.

All that tells a sorry tale for specialized business publications, the traditional budget leader, which ranked third among client budget increases.

Only 48.5% of business marketers say trade magazines will garner a greater share of their marketing budgets.

But compared with other media, business publishers should feel lucky. General business magazines are receiving increases at only 12.9% of the responding client companies this year. Even local/regional business publications bested the general business books, receiving increases at 17.8% of respondent companies.

Results from agency respondents, which ranked media options only, mirror client company opinions.

More than 60% say clients are bumping up spending in direct mail vs. the 44.6% who say specialized magazines will receive a bigger chunk of their clients' budgets. Another 33.7% of agency respondents say clients are directing a larger percentage of their budgets to other direct-response or data-base activities.

Video, another direct-sales medium, is receiving a greater percentage of clients' budgets at 21.8% of the agencies surveyed.

Again taking a big hit are other non-trade book forms of business press. Clients are directing more of their marketing dollars to local or regional business publications at 17.8% of responding agencies, while general business magazines are only seeing increases at 5% of the agencies polled.

—Julie Steenhuysen

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Declining inquiry rates turn up the pressure

But phone calls and faxes put a dent in traditional response-measuring method

By Joe Mandese

Trade publishers increasingly are coming under fire to prove performance as advertisers focus more than ever on the quality and number of inquiries their ad placements generate.

"Media is becoming more accountable," notes Tyler Schaeffer, VP-associate media director of FCB/Leber Katz Partners, New York. "If we can prove that it's working, that's a good sign for increasing media budgets. And if it ain't working, let's cancel it and find something that is working."

As a result, Mr. Schaeffer says there's an increasing emphasis on media that can provide a direct response. Although communicating an image is more important than generating a direct response to some advertisers, accountability now is a factor in both, he says.

'If it ain't working, let's cancel it and find something that is working'

The problem is the number of inquiries generated by reader service numbers, the main measure of responsiveness, "is shrinking at an alarming rate and there's a lot of panic going on," adds Robin Donovan, VP-media director at Mason & Madison, New Haven, Conn.

Ms. Donovan says declining inquiry rates are putting pressure on agencies trying to rationalize buys in the business press.

However, the trend may have less to do with the effectiveness of the medium than with changes in technology and the way in which potential clients seek information, she says.

A confidential survey conducted recently by a business publisher in the engineering industry seems to confirm as much.

Asked how they prefer to follow up on a product they read about in a magazine, only 28% of readers surveyed cited reader service cards, while 64% cited phone calls and 8% sent faxes directly to the advertiser.

"Inquiries started to dwindle because people don't want to use reader service cards. They want direct response, too," she says.

"They want to use telephones and the people who get the phone calls don't tell the publication and the publication has no way of tracking it unless it's a reader service card." □

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Logistics snarl integrated efforts

Coordinated programs win high marks, but getting go-ahead a problem

By Kate Bertrand

Integrated marketing—the buzzword of business publishers and advertisers—is experiencing growing pains.

Both media sellers and clients say they want to provide it, but there's disagreement over whether either side is prepared to handle it.

All agree it's the key to remaining on the cutting edge in business marketing.

For marketers, having coordinated strategies and messages is becoming increasingly important as budgets feel the recessionary pinch, says James Reilly, general manager of marketing services and communications with IBM Corp. "Corporations are all under pressure . . . to demonstrate a return on the communications investment."

For publishers, it's a need to follow the advertiser.

"Something's changing out there in the marketplace," says Ira Herenstein, exec VP-computer and communications group at McGraw-Hill. "The new game is to use [our resources] in focusing on advertisers' and customers' needs," he says.

"Business publishing is changing like our customers' businesses are changing," adds Cahners Publishing Co. Exec VP Frank Sibley.

"We have customers who say to us, 'We want to partner with you. We will take the time to explain to you what our broader marketing goals are. We expect you to come back with a well-thought-out presentation that is far beyond three titles that we ought to be placing print advertising in.' "

Despite some confusion over definitions (*see related story on Page B-29*), business marketers are clear in intent: They expect to buy more than just ad space from publishers.

In a recent survey conducted by Beta Research for *Advertising Age* and *Business Marketing*, 82.2% of agency respondents and 61.4% of advertiser respondents say it's "very" or "somewhat" important for media sales reps to combine media and marketing options when making presentations.

Despite advertiser demand for integrated marketing and publishers' willingness to provide integration in some form, the corporate organization of marketers and media vendors has hindered its implementation.

"There haven't been many [media] people knocking our door down with integrated packages so far," says Mike Neavill, PR and advertising director at AT&T Microelectronics. "I don't think the media really have it together yet, and the ad agencies can't really pull it off yet either."

Buying and selling

Steve Bjorkman

media "have become a problem," says Jerry Bryan, director of corporate communications with Sverdrup Corp., an engineering/architecture company. "The classic industrial marketer had an ad manager. He smoked a short cigar and had a belly overlapping his belt."

Today's industrial marketer is organized differently, Mr. Bryan says. Either the marketer has one person supervising all marketing communications activities or those functions are divided among various departments such as trade shows, direct marketing, etc.

"For a while the publisher's rep could deal with that. But now the situation on the publisher's side has also changed from one product to sell to up to a dozen products to sell," he says. "So you've got more products to put against more buyers, and somehow the system then has to be altered."

In the opinion of advertisers and agency executives, much of that change should take place at the media company.

In the *Ad Age/Business Marketing* survey, 56.4% of agencies and 46.5% of advertiser respondents say they don't believe media sales reps typically have the authority to negotiate multimedia placements.

Some on the media side challenge the notion they're unable to handle integrated deals, charging that internal power struggles at advertisers complicate the sale.

Some marketers, such as Dow Plastics, have centralized marketing communications decision-making by business unit or market segment.

At Dow, the communications specialist in charge of a segment such as consumer electronics develops and executes a communications strategy that supports the segment's overall marketing strategy. The Dow specialists control their own budgets and work closely with multiple agencies to select, buy and evaluate media for their market segments.

The result is consistent, coordinated marketing communications across advertising, trade shows, public relations and all the other communications vehicles, says Mike Butcher, director of communications.

AT&T Microelectronics put a similar organizational structure in place last year.

"I think companies are [reorganizing] a lot," Mr. Neavill says. "They recognize the synergies of this, and that it makes good business sense."

However, not all companies are prepared to handle integrated marketing, Mr. Reilly admits.

"Some companies are simply not organized to do it. You simply can't do it if your organization doesn't permit it. If the budgets are dispersed, it's going to be very tough to

integrate," he says.

Some publishers are responding to advertisers' corporate restructuring by creating new integrated marketing sales programs.

International Data Group in September deployed a special sales force to consult with advertisers about integrated-marketing options. The national account reps provide an overview of IDG's services and act as part of a selling team composed of corporate and individual publication sales reps, says Erica Baccus, VP of IDG's Marketing Services division.

"We'll be talking to senior-level marketing people on the client side. They're the ones who are really looking to maximize their marketing budgets and they're looking for other avenues to market their products," she says.

Media sellers' ability to communicate their offerings and advertisers' readiness to embrace them may prove to be the business marketing litmus test of the '90s.

On both sides, "they'll either learn fast or their competitors will eat their lunch," Mr. Bryan says. "The game has changed. If you're on top, you win." □

One step beyond

Integrated marketing—a.k.a. fusion marketing, contact management, one-voice marketing, seamless communications—has almost as many definitions as it has names.

Marketers, ad agencies and media vendors each tend to have their own idea of what it means.

Agencies define integrated marketing as the ability to provide communications services beyond print advertising, such as sales collateral or direct-mail campaigns.

Business press publishers, in turn, think of it as new-age merchandising or perhaps as combination rates on print ads in various titles.

For the marketer, though, integrated marketing involves much more than print. Advertising, PR, direct mail, research, telemarketing, trade shows, sales promotion and training—in fact, all the marketing communications activities—play a role.

James Reilly, general manager of marketing services and communications with IBM Corp., offers a working definition from the marketer's point of view: Integrated marketing allows marketers to present a consistent look and feel to a specific target audience.

"It's basically the orchestration of the various communication skills or activities that are available to you, all designed to effectively deliver your message to some defined audience," Mr. Reilly believes.

And it's a trend on which marketers will build throughout the decade.

"As you look out into the 1990s, the new issue will be to raise the effectiveness, raise the threshold of impact, of all of the communications activities," he says.

To do that, agencies, media companies and advertisers first must come to terms with their terms.

--Kate Bertrand

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Show-and-sell

Trade events losing focus—to move product

By Debra Aho

Steve Bjorkman

It's time for marketers to take trade shows more seriously.

Too often companies look at trade shows as training grounds for junior salespeople, junkets for top performers or a chance to check out competitors and "fly the company flag."

"Those are ancillary reasons to be at a trade show," says Darel Hamilton, communications director of the Trade Show Bureau. The primary reason is to move product, he says.

Mr. Hamilton says few companies look at their trade-show activities as an integrated part of their marketing efforts, explaining why trade activities are being cut in tight economic times.

"Those increasing their trade-show activities, unfortunately, are anomalies," he says.

According to a Beta Research Corp. survey commissioned by *Advertising Age* and *Business Marketing*, 56.4% of marketers surveyed say trade shows will receive the same or a smaller percentage of their total business-to-business marketing budget in 1991.

Trade-show activities also are down because marketers haven't put in the mechanisms to evaluate effectiveness.

"They are [spending] a chunk of money that is very directed to a single activity. If that activity is not measured and documented in terms of results, they're hesitant to continue with it," says Peggy Nordeen, president of Starmark, Chicago.

"Too many companies define a great show as a stack of 500 business cards; 500 cards are not a lead. If you get 500 cards, you're in trouble," Mr. Hamilton says. He attributes a 33% turnover of first-time trade-show exhibitors to lack of planning, marketing and evaluation.

Marketers should promote their participation in

Riding the recession

If your marketing budget suddenly increased by 10%, where would you put the additional funds?

"I think we would look to do more advertising of our new lines of business in defense high technology, systems integration and environmental services fields.

B. Reinike

"I also think we would try and focus on the select media that [address] that line of business, such as trade publications, rather than general consumer publications.

"If it is an electronics need, we'd put those ads into electronics trade magazines rather than those that speak in general to the interests of [targeted prospects]."

—Barbara Reinike, manager-advertising and special programs, Lockheed Corp.

Interviewed by Sandra Pesmen.

No rebound

(Continued from Page B-3)

information, "people are trying to get away with [using] last year's brochure," Mr. O'Daly says.

"There's almost a complete lack of spending in image or brand awareness [advertising]," he says. "Whatever dollars are spent, it's in actual product sales."

Because business-to-business advertisers "have a tougher problem showing the direct relationship of advertising to sales, they don't feel much of a problem cutting advertising," observes Steve Trygg, chairman-chief creative officer at Anderson & Lembke, New York.

"Clients still have a hard time justifying media advertising to top management. It's much easier to justify what could be considered direct-sales efforts."

"A lot of companies . . . have to look at the long-term effect," says Robin Donovan, VP-media director at Mason & Madison, New Haven, Conn. "Instead [they] are saying, 'We didn't advertise for a year, and we're not out of business yet, so why do we need to?' "

But that thinking has proved a boon to the few who remain.

"A lot of smart marketers who stay in the game are the only guys who own those pages," Mr. O'Daly says.

Reflecting the lack of image advertising, clients and agencies say the ad spending cuts were most acute in general business magazines, such as *Business Week* and *Industry Week*, as opposed to vertical books serving specific industries. Also feeling the hit were local or regional magazines and newspapers.

But more targeted business publications, like consumer magazines, are facing an intense shakeout.

"I don't think it's the death knell for the publishing business, but I don't think you will have four or five publications serving an industry," Mr. Casteel says.

For those not being cut from schedules, discounting and other forms of rate negotiation are nearly universal. One buyer says certain competitive categories lead to "ridiculously low rates," and that's likely to continue even after the worst of the recession is over.

"I think people have sort of seen the fun of getting a bargain," Ms. Donovan says. "I think they're going to be looking for it with a much more jaded eye than before.

"We're having to be accountable for how a buy is more efficient. If they have double the budget, they're going to want you to give them double the

shows aggressively with direct mail, telemarketing, print advertising and calls from top executives to executives at client and prospect companies, he says.

They should define objectives in terms of sales-lead development and closings for each show; develop more sophisticated sales-lead tracking; compare results with objectives and other shows; and adjust trade-show activities accordingly.

MasterCard International's lead tracking system has allowed the marketer to make recessionary cuts while focusing on the shows it considers most effective, says Maureen Cronin, director-member relations. After each show, MasterCard analyzes attendance, costs and quality of attendees. Then it decides whether to alter its participation or cut the show, she says. MasterCard has cut about 15% of the shows at which it exhibits but has kept its budget level, devoting more money to key shows.

Because MasterCard's sales force is small, Ms. Cronin says, shows maximize salespeople's time and energy.

Mr. Hamilton says trade shows offer an opportunity to cut into the costs of field sales forces, not business media. He touts his group's statistics citing trade-show-generated leads are 70% less expensive to close than cold sales calls.

Despite paring budgets, many marketers still see trade shows as effective marketing components.

More than 42% of those responding to the *Ad Age/Business Marketing* survey say trade shows are the best way to make a sale, behind only direct response and specialized business publications in effectiveness.

"We're allies of the business press," not opponents, Mr. Hamilton says. "[Marketing managers] who integrate their efforts will not have their budgets bloodied."

Apple Computer is planning an integrated marketing campaign around a trade show, using advertising and direct marketing to tell prospective attendees about Apple before the show rather than depending on the trade show to do all the work. It also has set measurable objectives for the shows it attends, analyzed results and developed a communications plan to reach sales leads.

The drive to become more sophisticated comes at a troubling time for trade shows.

Tradeshow Week reports show attendance fell 2.5% in second quarter 1991, compared with the same period in 1990, the biggest drop since 1971. Exhibitor commitments were up only 0.3% in the same period. Darlene Gudea, the newsletter's publisher-editor in chief, predicts no growth until first quarter 1992.

When recovery does occur, attitudes toward trade shows will have changed permanently, Ms. Nordeen says.

"Once companies are used to [justifying marketing expenditures], it takes more than an expanded budget to get them back into trade shows. There will be hesitation to go back with as much verve and vigor as in the past."

Until marketers re-evaluate their objectives at trade shows, Mr. Hamilton says, budgets will continue to be pared when companies look for cuts.

"The majority of exhibitors are still just [business] card collectors," he says. □

bargain," she says.

Magazines are presenting "a lot of incredible offers," says John Keck, VP-director of media and research at The Juhl Agency, South Bend, Ind. "It's too bad it took a recession to get them to be creative" with merchandising support, promotions and other value-added services.

Mr. Courtney says he sees a fundamental change taking place. "I don't know if [rate] negotiation will ever be as severe as it is now, but it'll be part of the process."

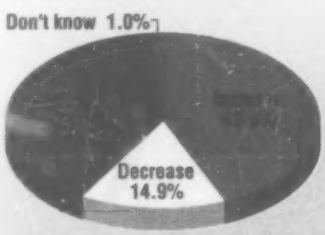
Increased accountability isn't new, of course, but it is becoming far more crucial to business magazines. "They have to be more than a page in a magazine," Mr. O'Daly says. Publishers must become more marketing-oriented, provide research, answer inquiries and offer telemarketing services to clients.

But even if non-media marketing methods gain more prominence, Messrs. Trygg and Keck believe that the reliance on media will be fundamentally unchanged even beyond the recession.

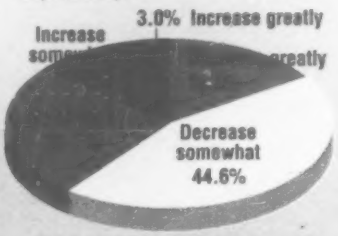
"There are still problems of justifying [media ads]," Mr. Trygg says. "But in their hearts we know management will approve budgets for advertising if the money is there," and he says encouraging signs are evident for 1992. □

Budgetary boosts on hold, and agencies feel the pinch

Asked whether total 1991 business marketing and advertising budgets will increase, decrease or stay the same vs. 1990, a majority of client respondents say their budgets will stay flat or decline.



How has the recession affected your clients' business-to-business media spending (percentage of agency respondents)?



Business media shortchanged, recession not a big factor

What percentage of 1991 marketing and advertising budget will be spent in business-to-business media placements?

% of budget	% of clients
0%-10%	23.8%
11%-20%	19.8%
21%-40%	17.8%
41%-60%	16.8%
61%-80%	11.9%
81%-100%	6.0%
Don't know	2.0%

What percentage of 1991 marketing and advertising budget would have been spent in business-to-business media placements without the recession?

% of budget	% of respondents
0%-10%	17.8%
11%-20%	16.8%
21%-40%	22.7%
41%-60%	13.8%
61%-80%	11.9%
81%-100%	11.9%
Don't know	3.0%

Source: Beta Research Corp.

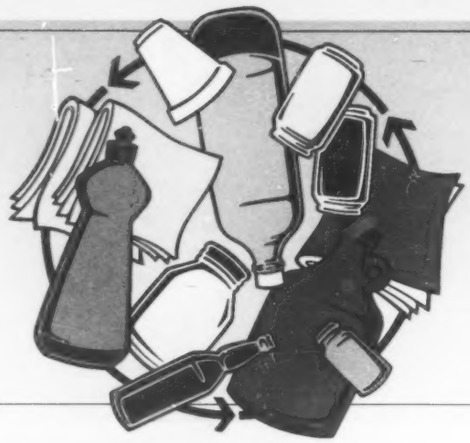
CYNTHIA WATSON

Paying green for green products

Average % price increase consumers would pay for green varieties of products vs. non-green varieties:

Gasoline*	7.4%
Detergents/soaps*	7.3
Biodegradable plastic packaging	6.8
Automobiles*	6.6
Aerosols*	6.6
Recycled plastic packaging	6.1
Plastic packaging with less plastic	6.1
Recycled paper products	6.0

* Indicates product is one-third less polluting than original version
Source: Roper Organization



JOHN SMITHER

True-blue environmentalists hold their wallets

Average % price increase consumers would pay for green varieties of products vs. non-green varieties (composite average of eight products):

Greenback Greens	19.6%
True-Blue Greens	7.4
Total public	6.6
Sprouts	4.8
Grousers	4.4
Basic Browns	3.1

Note: See story below for category descriptions
Source: Roper Organization

■ SETTING THE AGENDA

Consumer doubletalk makes companies wary

'Preferring' to buy green isn't proven by sales

By Scott Hume

Consumers say they want environmentally friendly products and will back up that desire in the grocery aisles, even if that means paying more.

But can manufacturers afford to believe them?

That remains one of the major questions yet to be answered in the green-marketing revolution.

The first phase of that revolution is complete: Consumers have been educated to better understand the environmental problems posed by some products and packaging.

The second phase—convincing consumers to change their attitudes toward products depending on their environmental friendliness—appears near completion.

But will consumers in fact do what they say they will: seek and purchase green products?

That third phase is just beginning, and many marketers are entering it more with uncertainty than confidence.

"Like everyone else, we're looking for the right answers to consumers' environmental concerns. No one's really sure which way to jump, but we know we have to move forward. Consumers want us to," says Charles Rath, exec VP-marketing at Wendy's International.

The No. 4 hamburger chain has moved to recycled paper napkins, bags instead of boxes for children's meals and collection and recycling of corrugated products.

"It's an investment, sure, but you can't look at it in terms of return on investment. You have to do it because we all need to be better citizens," Mr. Rath says. "It's a basic social responsibility."

For Wendy's and scores of other companies making changes intended to help the environment, the belief that environmental responsibility is now a corporate function is based on a growing body of research that overwhelmingly shows consumers want those changes and will repay marketers' investments by accepting higher prices.

"American Consumers: From Brown to Green," a study conducted last year by Roper Organization for S.C. Johnson & Son, reveals the average consumer would pay 6.6% more for a green version of a product *(see related story at right)*.

Although the study indicates a limited amount of environmental activity by consumers, it shows they believe strongly that manufacturers should make pro-environment changes.

For example, 46% of those polled say they regularly recycle bottles and cans, 26% recycle newspapers, 14% regularly buy products made from or packaged in recycled material and 16% say they avoid buying products from companies they consider not environmentally responsible.

However, nearly 75% of the consumers polled say they believe business must be forced by government to develop environmentally safe products.

Other research studies paint a picture of a consuming public that at least has good intentions, if not actions.

"We're in a double-dip recession, and consumers are not willing to pay more even if they tell pollsters they are."

In *Reader's Digest's* "1991 Environmental Study," based on questionnaires completed by 831 readers, 98% say they're personally willing to change their behavior and buying habits in order to ensure a cleaner world.

Asked if they're willing to pay more, 85% of the sample say they'd accept cost increases for less-polluting detergents and soaps; 82% would pay more for biodegradable plastic packaging; 79% would pay extra for gasoline that's one-third less polluting to the air; 78% would pay more for aerosol products producing one-third less air pollution.

"Environment USA '91," a survey jointly conducted by Golin/Harris Communications and Angus Reid Group, produced similar results. Of the 2,000 U.S. adults polled by telephone, 74% say they consider environmental protection a priority, even if it means slower economic growth.

Majorities of these respondents also claim a willingness to pay more for environmentally friendly products: 59% say they would pay 25¢ more per gallon of gas to cut air pollution; 55% would pay 50% more for garbage collection to pay for safe long-term disposal; 76% say they'd pay 10% more for an "environmentally 'green' grocery product."

In fact, most consumers believe they *will* have to pay more for green products.

According to a telephone survey of 300 adults conducted in May by the research department of Leo Burnett USA, Chicago, 28.6% say they're "willing to make drastic changes in my lifestyle to help the environment," and 67.1% agreed that "environmentally friendly products are often expensive."

That perception remains the major stumbling block for the environmental movement, says Gerald Celente, director of the Socio-Economic Research Institute of America and author of *Trend Tracking*.

"I hold no stock in polls that claim people are willing to spend more," Mr. Celente says. "People say what they think they are expected to say, but not what they can afford to do.

"The green movement is stalling. Consumers are simply not responding to it because economic interests outweigh environmental interests. We're in a double-dip recession, and consumers are not willing to pay more even if they tell pollsters they are," he says.

"Has the disposable diaper market taken a pounding? No. Show us one mass-market product that consumers have shown they'll pay more for [because it protects the environment] and we'll change our opinions," Mr. Celente says. "But we don't see it."

At least one manufacturer of a "green" product agrees.

Magic American Corp. last year introduced EarthRite, a six-item line of non-polluting, non-toxic and biodegradable cleaning products. VP Scott Zeilinger says the company acted on that part of the research that shows consumer interest, but not consumers' supposed willingness to pay more.

"We believe the consumer wants to do the right thing, however, without sacrifice to their pocketbooks and product performance," he says. "That's why we made sure EarthRite was priced competitively. They're not gourmet, ecological catalog items.

"With the launch of any new product, if you want to win the hearts of consumers, you have to make it easy for them. You have to take away any objections, and higher cost is still an objection with most consumers," Mr. Zeilinger says.

"Launching EarthRite, we relied on a belief in human nature, not in the Roper poll." □

What separates true blues from basic browns

Like most things, there's no black & white definition of the green consumer.

"American Consumers: From Brown to Green," a study conducted last year by Roper Organization for household products marketer S.C. Johnson & Son, indicates viewing consumers simply as being green or not green is out of the question.

Based on in-person interviews with 1,413 adults, the survey divides U.S. consumers into five distinct shades of environmental commitment and buying behavior:

■ **"True-Blue Greens"** account for 11% of the population. They are the most affluent and the most involved in pro-environment practices. They're willing to pay an average of 7.4% more for the eight green products (recycled paper products, less-polluting gasoline, etc.) featured in the poll.

■ **"Greenback Greens"** also constitute 11% of the population. They are the youngest group and the biggest environmental spenders, saying they'd be willing to pay 19.6% more for environmentally friendly products.

■ **"Sprouts,"** a swing group, account for 26% of the population and display both pro and con attitudes about the environment. On average, they say they'd be willing to pay 4.8% more.

■ **"Grousers"** make up 24% of the whole. They aren't very involved in environmental activities, mainly because they say others aren't either. They'd be willing to pay 4.4% more.

■ **"Basic Browns"** are the final 28% of the population. As the category title indicates, they don't believe individuals can make a difference in improving the environment, and they aren't interested in making an effort. Still, they say they'd spend 3.1% more, roughly the rate of inflation, for green products.

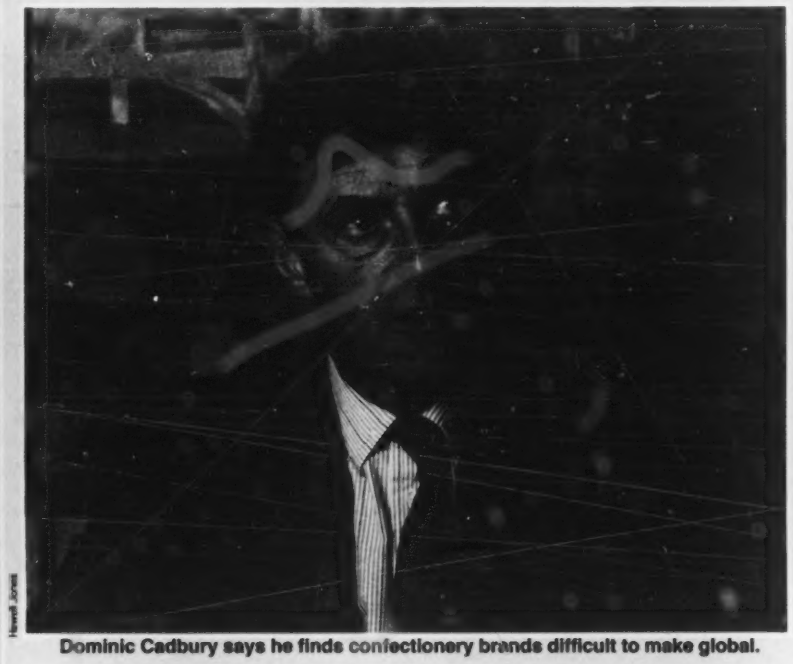
—Scott Hume

GLOBAL MEDIA & MARKETING

ALSO IN THIS REPORT

Publications: Where circulation for multinationals rose, fell. **Page S-2.**

Success: While many publications stumble, a few, including *Cosmopolitan* in Spain, prosper. **Page S-16.**



Howell Jones

Dominic Cadbury says he finds confectionery brands difficult to make global.

Global potential sweet to Cadbury

Cadbury Schweppes is aiming to expand market share globally in both beverages and confections through joint ventures and acquisitions. The effort is being led by Group Chief Executive Dominic Cadbury, 51, who spoke to European Editor Laurel Wentz about the $5.3 billion marketer's plans.

Advertising Age: *Where do you see Cadbury Schweppes heading in the next few years?*

Mr. Cadbury: We continue to grow in our chosen fields of confectionery and refreshment beverages. I don't see the company moving outside those product areas because that's where our heritage is and that's where we've put up a good performance in recent years.

ONE ON ONE

AA: *Your soft-drink businesses—Schweppes, Canada Dry, Crush—are international, but your chocolate brands are more local. Will that change?*

Mr. Cadbury: Branded confectionery has been with us since the '30s. It's more difficult to change the composition of [that] market because people have grown up with these brands. There are markets where I think it would be very difficult for Cadbury to penetrate as an international brand.

AA: *You don't see yourselves taking on Mars and Hershey in the U.S.?*

Mr. Cadbury: We bought a considerable business in the States, but in the end judged that our best route was to franchise our business to Hershey. That delivered a lot more value than we were able to see looking ahead in an all-out contest with Hershey and Mars.

AA: *You launched colas recently in Spain and Australia. Do you plan to enter the cola wars against Coke and Pepsi?*

Mr. Cadbury: We only launched a cola where we don't have access to one, either Coke or Pepsi, to fill out our range. It's never going to be a major activity, and we have no intention of trying to become a player in the cola wars.

AA: *How are you becoming a more global beverage marketer?*

Mr. Cadbury: What we've done in refreshment beverages is to expand our range and broaden it from the pretty

(Continued on Page S-11)

Top ad spenders: Unilever, P&G

By Julie Skur Hill

For the fourth consecutive year, Unilever, Procter & Gamble Co. and Nestle have retained their rankings as the world's top three advertisers outside the U.S.

Unilever, doling out $1.4 billion throughout 25 countries in 1990, leads the fifth annual *Advertising Age* survey of leading ad spenders outside the U.S. *(See charts starting on Page S-6.)*

In comparing spending to 1989 in countries where *Ad Age* obtained data for both 1990 and 1989, the Anglo-Dutch conglomerate increased its outlay 16.8% from the previous year to nip archrival P&G, which boosted its ad expenditures 14.6%.

P&G spent $1.1 billion in 20 countries outside the U.S., breaking the $1 billion barrier for the first time.

Nestle, the Vevey, Switzerland-based food giant, spent $603.5 million in 21 nations.

When U.S. spending was included, Cincinnati-based P&G emerged as the leading advertiser worldwide, investing a whopping $3.4 billion.

Philip Morris Cos., New York, followed, spending $2.7 billion worldwide. Outside its home country, Philip Morris spent $511.2 million in advertising in 17 countries, placing fifth.

PSA Peugeot-Citroen, Paris, tallying $597.1 million in 11 countries, supplanted fellow French auto marketer Renault, Paris, as the No. 4 advertiser outside the U.S. Renault fell to No. 7, at $442 million in nine countries.

When U.S. spending is included, P&G becomes the top global advertiser.

Auto marketers dominate the rest of the Top 10.

Toyota Motor Corp., Toyota City, Japan, ranked sixth, spending $458.5 million in 10 countries; Fiat, Turin, Italy, tallied $440.9 million in seven countries for eighth place, and General Motors Corp., Detroit, spent $409 million, putting it 10th.

Canon, Tokyo, representing the only marketer ranked between No. 6 through No. 10

(Continued on Page S-10)

Reversal of 'Fortune'

Focus changes from local to int'l edition

By Laurel Wentz

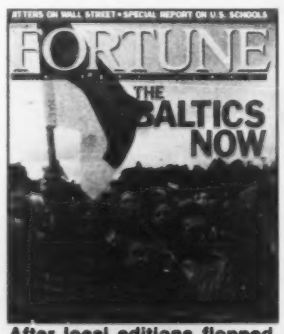
LONDON—Time Warner has abandoned its European strategy of launching local-language editions of *Fortune* and instead will focus on aggressively promoting *Fortune International*.

When the U.S. publisher decided to negotiate *Fortune* joint ventures in all the major European markets to exploit the 1992 economic unification of Europe, the company had no idea the concept would flop before the end of 1991.

"The execution of the strategy was flawed, but I don't think that means the strategy is flawed," said James B. Hayes, New York-based publisher of *Fortune*. "We'll do better next time. We have not walked away from it, battered and beaten though we are."

European business publishing experts say the two main problems were clashes with local joint-venture partners or potential partners and the difficulty of competing for circulation and ad revenue against firmly entrenched local business magazines, especially during an economic recession.

Only two of the monthly European editions got off the ground—*Fortune France*, a joint venture with Hachette, and *Fortune Italia*, in partnership with Arnoldo Mondadori Editore. Both closed after two years. In Germany, negotiations with three publishers failed to produce a partner. A deal to do *Fortune* in Spain with Hachette fell apart, and the edition was never launched.



After local editions flopped, *Fortune International* is the magazine's focal point.

Mr. Hayes said he has a clear idea of why *Fortune France* and *Fortune Italia* failed.

Fortune's French partner wanted to publish a lifestyle magazine, not a management tool, he said.

"We did not want to

(Continued on Page S-16)

Advertising Age's 1991 global media lineup

Title / Publisher / Headquarters	Paid circulation: Worldwide 1990	% chg	North America 1990	% chg	By foreign region: Region	1990	% chg	Ad page costs 1990 b&w/4-color	% chg	1991 b&w/4-color	Global cpm 1990	% chg	Top worldwide in 1990
Dailies													
Financial Times of London Financial Times Ltd. London	290,368	0.0	23,770	1.2	Europe: Middle East/Africa: Asia/Pacific: Latin America:	256,154 3,354 6,407 682	(1.1) (2.2) 64.6 (3.4)	$45,696 $57,400	22.9	NA NA	$157.37	9.7	British Airways British Gas Toshiba Daimler-Benz Renault
International Herald Tribune New York Times & Washington Post Neuilly, France	195,688	3.1	5,834	10.0	Europe: Middle East/Africa: Asia/Pacific: Latin America:	140,369 6,865 39,547 3,073	2.8 2.4 3.2 5.7	44,958 65,126	8.9	48,616 70,493	229.74	5.5	AT&T MCI American Airlines IBM Siemens Nixdorf
USA Today Gannett Co. Arlington, Va.	1,901,538	0.7	1,841,538	0.7	Europe: Asia/Pacific:	46,000[1] 14,000[1]	2.2 0.0	63,255 82,233	10.5	63,255 82,233	33.27	9.6	AT&T General Motors Corp. MCI Sheraton Hotels Apple Computer
The Wall Street Journal Dow Jones Co. New York	2,002,169	(1.0)	1,913,443	(11.6)	Europe: Asia/Pacific:	51,608 37,118	7.9 (3.2)	131,655 NA	7.0	NA NA	65.76	3.9	AT&T IBM Dreyfus Corp. Fidelity Mgt. & Research Hewlett-Packard Co.
Weeklies													
Business Week McGraw-Hill New York	1,009,226[2]	(1.2)	896,803	(1.6)	Europe: Asia/Pacific: Latin America:	59,592 33,211 19,620	4.8 1.9 (7.4)	48,985 74,460	7.5	49,340 74,680	48.54	9.6	General Motors AT&T Digital Equipment Fujitsu Ltd. Compaq Computer
The Economist The Economist Newspaper London	475,535	11.8	213,109	17.4	Europe: Middle East/Africa: Asia/Pacific: Latin America:	189,704 14,756 50,468 7,498	7.1 (2.7) 14.0 3.3	11,400 35,500	15.6	12,880 40,115	23.97	3.4	Singapore Airlines Bank of America RTZ Boeing Co. AIG
The Guardian Weekly Guardian Publications Manchester, England	76,849	6.1	27,729	2.5	Europe: Middle East/Africa: Asia/Pacific: Latin America: Caribbean:	16,821 4,044 19,273 1,388 7,594	1.4 (0.7) 18.3 0.4 7.4	3,045[3] NA	16.7	3,045[3] NA	39.62	(13.5)	Barclays Bank Jardine Fleming Britannia Build. Soc. Abbey National Standard Chartered Bank
Newsweek Newsweek Ltd. New York	4,177,445	5.9	3,420,167	6.0	Atlantic: Asia: Latin America: Australia:	353,725 234,589 66,191 102,773	7.7 9.3 8.1 (8.2)	111,615 179,120	9.6	NA NA	26.72	3.5	Rothmans International Singapore Airlines Rolex Thai International Philip Morris Cos.
Paris Match International Publications Filippachi Paris	244,314	1.4	37,192	(6.4)	Europe: Middle East/Africa: Asia/Pacific: Latin America: Other:[4]	143,441 33,915 2,155 2,611 25,000	4.5 (1.8) 17.0 19.8 3.1	10,200 16,000	(4.1)	10,900 17,100	41.75	(5.4)	Philip Morris Cos. Benson & Hedges Renault Peugeot Citroen
Time Time Warner New York	5,756,618	3.1	4,603,076	1.5	Europe/Middle East/Africa: Asia/Pacific: Latin America:	613,403 450,071 90,068	15.8 5.2 (0.3)	163,774 246,254	12.3	173,600 261,025	28.45	8.8	Rothmans Group Kingdom of Spain Govt. of Singapore Toyota Philip Morris Cos.
Monthlies													
Cosmopolitan Hearst Corp. New York	5,880,471	3.2	2,679,000	(2.4)	Europe: Middle East/Africa: Asia/Pacific: Latin America:	1,823,481 108,622 650,979 618,389	4.2 (9.5) 13.2 21.3	NA NA	NA	NA[5] NA[5]	NA	NA	Revlon Nestle S.A. Procter & Gamble Co. Unilever Philip Morris Cos.
National Geographic National Geographic Society Washington	9,918,479	(2.6)	6,510,155	(3.1)	Europe: Middle East/Africa: Pacific: Latin America: Military Overseas:	801,242 64,995 393,783 99,618 48,686	1.6 (8.9) (2.2) 4.0 15.9	136,725 180,480	0.0	142,194 187,699	13.78	9.2	Canon Mazda NEC State of Illinois NA
Reader's Digest Reader's Digest Association Pleasantville, N.Y.	28,204,598	(0.2)	17,968,009	(1.3)	Europe: Middle East/Africa: Asia/Pacific: Latin America:	7,010,509 350,331 1,725,195 1,150,554	3.3 (3.5) (0.8) (2.2)	303,785 403,495	14.6	NA NA	10.80	14.0	Unilever NV Philips Kraft General Foods Franklin Mint Mazda
Scientific American Scientific American New York	638,129	20.0	527,068	2.6	Europe: Middle East/Africa: Asia/Pacific: Latin America: Military Overseas:	75,103 3,924 23,923 5,888 2,223	(0.8) (6.1) 0.2 1.0 (3.8)	21,800 32,700	0.0	22,850 34,250	34.16	4.8	Hughes Aircraft Textron Lycoming NEC Ameritech Italtel
WorldPaper [6] World Times Boston	901,100	(1.3)	58,000	NA	Europe: Middle East/Africa: Asia/Pacific: Latin America: E. Europe/Soviet Union:	10,000 10,000 271,800 286,300 265,000	0.0 0.0 4.2 (20.3) (1.8)	35,865 NA	(6.2)	NA NA	39.80	(4.6)	AT&T Delta Air Lines Visa International Gold Star Ltd. Sheaffer
Other													
Fortune Time Warner New York	802,848	1.1	681,850	0.7	Outside North America:	120,998	3.1	38,550 58,980	8.0	NA NA	48.02	6.9	American Intl. Group Bank of America Astra Business Jets Gulfstream American Samsung
World Link [7] World Link Publications part of World Economic Forum Geneva, Switzerland	44,282	16.1	18,043	65.2	Europe: Middle East/Africa: Asia/Pacific: Latin America:	15,988 2,100 6,413 1,738	(5.0) 3.3 (2.5) (1.3)	9,300 12,000	0.0	9,300 12,000	210.00	(13.9)	Audi Swissair Du Pont Asea Brown Boveri Montres Breguet

Notes: 1. Second half '91 projection. 2. Not included in *Business Week International* world total are the following foreign-language editions, published locally as a joint venture: BW/China:53,000; BW/USSR:50,000; BW/Hungary: 8,000. 3. Full page b&w figure of pounds sterling 1,750 converted to dollars using the October 1991 rate of 1.74. B&w rate for 1991 and 1990 are the same in pounds sterling, but the dollar figure varies due to exchange fluctuations. 4. Other circulation includes data for French-speaking territories and airlines. 5. No figures available for b&w and color pages since rates are given on a case-by-case basis for 24 different editions. 6. Distributed as a newspaper supplement. 7. Published bi-monthly. See "How to read these rankings," Page S-13.

AA chart: Ilse Cermak

Unilever builds advertising lead outside U.S.

Rank	Advertiser	Headquarters	Primary business	Countries in which spending was reported for 1990	Non-U.S. spending 1990	'90-'89 % chg	U.S. spending 1990	W'wide spending 1990	Non-U.S. as % of w'wide
1	**Unilever NV**	Rotterdam/London	Food	Argentina, Australia, Austria, Brazil, Britain, Canada, Chile, Denmark, Finland, France, Germany, Greece, India, Italy, Japan, Malaysia, Mexico, Netherlands, Pan Arabia, Puerto Rico, South Africa, Spain, Switzerland, Taiwan, Turkey	$1,364.7	16.2	$568.9	$1,933.9	70.6
2	**Procter & Gamble Co.**	Cincinnati	Personal care	Austria, Britain, Canada, Chile, Denmark, France, Germany, Greece, India, Italy, Japan, Lebanon, Mexico, Netherlands, Pan Arabia, Philippines, Puerto Rico, Spain, Taiwan, Thailand	1,135.6	14.6	2,284.5	3,420.1	33.2
3	**Nestle SA**	Vevey, Switzerland	Food	Argentina, Austria, Brazil, Britain, Canada, Chile, France, Germany, Greece, India, Italy, Japan, Malaysia, Netherlands, Pan Arabia, Philippines, Puerto Rico, Spain, Switzerland, Taiwan, Thailand	603.5	7.3	635.9	1,239.4	48.7
4	**PSA Peugeot-Citroen SA**	Paris	Automotive	Argentina, Britain, France, Germany, Italy, Netherlands, Norway, Pan Arabia, Spain, Switzerland	597.1	20.2	9.1 *	606.3	98.5
5	**Philip Morris Cos.**	New York	Food	Argentina, Austria, Britain, Canada, Denmark, France, Germany, Hong Kong, Indonesia, Italy, Japan, Lebanon, Malaysia, Netherlands, Pan Arabia, Spain, Taiwan	511.2	5.9	2,210.2	2,721.4	18.8
6	**Toyota Motor Corp.**	Toyota City, Japan	Automotive	Australia, Britain, Canada, Germany, Indonesia, Japan, Norway, Pan Arabia, Switzerland, Thailand	458.5	28.6	580.7	1,039.2	44.1
7	**Renault SA**	Paris	Automotive	Austria, Britain, France, Germany, Italy, Netherlands, Pan Arabia, Spain, Turkey	442.0	4.8	0.0	442.0	100.0
8	**Fiat SpA**	Turin, Italy	Automotive	Britain, France, Germany, Italy, Netherlands, Spain, Switzerland	440.9	14.4	0.7 *	441.6	99.8
9	**Canon Inc.**	Tokyo	Electronics	Canada, France, Germany, Japan, Netherlands	411.0	55.2	119.5	530.5	77.5
10	**General Motors Corp.**	Detroit	Automotive	Austria, Britain, Canada, Finland, France, Germany, Italy, Netherlands, Norway, Pan Arabia, Spain, Switzerland	409.0	23.5	1,502.8	1,911.8	21.4
11	**Matsushita Electric Industrial Co.**	Osaka, Japan	Electronics	Britain, Canada, Germany, Hong Kong, Japan, Malaysia, Pan Arabia, Taiwan	398.8	3.2	330.2	729.0	54.7
12	**Ford Motor Co.**	Dearborn, Mich.	Automotive	Australia, Austria, Britain, Canada, Finland, France, Germany, Italy, Netherlands, Norway, Pan Arabia, Spain, Sweden, Switzerland, Taiwan	387.1	17.6	616.0	1,003.1	38.6
13	**Henkel Group**	Duesseldorf	Soaps	Austria, France, Germany, Italy, Netherlands, Spain	378.1	49.9	0.3 *	378.3	99.9
14	**Hitachi Ltd.**	Tokyo	Electronics	Japan, Pan Arabia	368.5	24.4	20.7 *	389.3	94.7
15	**Mars Inc.**	McLean, Va.	Food	Austria, Britain, Canada, France, Germany, Japan, Netherlands, Switzerland	332.5	17.4	272.4	604.9	55.0
16	**Nissan Motor Co.**	Tokyo	Automotive	Australia, Britain, Canada, Germany, Japan, Netherlands, Norway, Pan Arabia, Switzerland, Thailand	330.7	(7.6)	410.2	740.9	44.6
17	**Kao Corp.**	Tokyo	Soaps	Hong Kong, Japan, Taiwan	321.9	(0.5)	24.6 *	346.5	92.9
18	**Volkswagen AG**	Wolfsburg, Germany	Automotive	Canada, France, Germany, Norway, South Africa, Spain, Sweden	319.6	13.6	138.5	458.1	69.8
19	**Philips NV**	Eindhoven, The Netherlands	Electronics	Argentina, Austria, Brazil, Chile, Finland, France, Germany, Greece, Hong Kong, Italy, Japan, Netherlands, Pan Arabia, Spain, Sweden, Turkey	314.6	32.9	177.7	492.3	63.9
20	**Ferrero SpA**	Perugia, Italy	Food	Germany, Italy	291.6	30.6	6.8 *	298.4	97.7
21	**Coca-Cola Co.**	Atlanta	Food	Argentina, Austria, Britain, Canada, Chile, Germany, Israel, Italy, Japan, Lebanon, Mexico, Netherlands, Philippines, Puerto Rico, Spain, Thailand, Turkey	287.0	9.4	377.2	664.2	43.2
22	**Suntory**	Tokyo	Beer, spirits	Japan	283.3	(9.1)	5.8 *	289.0	98.0
23	**Toshiba Corp.**	Tokyo	Electronics	Germany, Hong Kong, Japan, Pan Arabia	274.0	(0.6)	18.7 *	292.7	93.6
24	**NEC Corp.**	Tokyo	Electronics	Germany, Japan, Malaysia, Netherlands	269.0	0.5	24.9 *	293.9	91.5
25	**Mitsubishi Motor Corp.**	Tokyo	Automotive	Australia, Japan, Norway, Pan Arabia	268.1	(3.2)	67.9 *	336.0	79.8
26	**Sony Corp.**	Tokyo	Electronics	Canada, Germany, Japan, Netherlands, Pan Arabia, Spain, Thailand	262.5	(2.3)	410.5	673.0	39.0
27	**Nippon Telephone & Telegraph**	Tokyo	Utilities	Japan	252.2	9.3	0.3 *	252.5	99.9
28	**Honda Motor Co.**	Tokyo	Automotive	Britain, Canada, Germany, Japan, Netherlands, Pan Arabia	250.1	(14.4)	318.0	568.1	44.0
29	**Mazda Motor Corp.**	Hiroshima, Japan	Automotive	Austria, Canada, Germany, Japan, Norway, Pan Arabia, Switzerland	244.2	(28.8)	247.9	492.1	49.6
30	**Kellogg Co.**	Battle Creek, Mich.	Food	Australia, Britain, Canada, Denmark, France, Germany, Japan, Mexico, Pan Arabia, Puerto Rico	226.9	7.0	577.7	804.6	28.2
31	**Sharp Corp.**	Osaka, Japan	Electronics	Hong Kong, Japan, Pan Arabia	226.7	4.1	23.5 *	250.2	90.6
32	**Colgate-Palmolive Co.**	New York	Personal care	Denmark, France, Germany, Greece, India, Italy, Malaysia, Mexico, Netherlands, Philippines, Puerto Rico, South Africa, Thailand	218.0	(5.3)	265.0	483.0	45.1
33	**Asahi Breweries**	Tokyo	Beer, spirits	Japan	202.3	(11.9)	0.2 *	202.6	99.9
34	**Shiseido Co.**	Tokyo	Cosmetics	Japan	196.7	1.6	0.2 *	197.0	99.9
35	**Fuji Photo Film**	Tokyo	Photography	Germany, Japan, Singapore, Thailand	195.1	5.3	10.9 *	206.0	94.7
36	**Takashimaya**	Osaka, Japan	Retail	Japan	191.1	12.5	0.0 *	191.1	100.0
37	**Kirin Brewery Co.**	Tokyo	Beer, spirits	Japan	190.8	(3.7)	0.0 *	190.8	100.0
38	**McDonald's Corp.**	Oak Brook, Ill.	Food	Australia, Britain, Canada, France, Germany, Hong Kong, Japan, Netherlands, New Zealand, Puerto Rico, Singapore	183.8	8.7	764.1	947.9	19.4
39	**Mitsukoshi**	Tokyo	Retail	Japan	179.9	6.7	0.0 *	179.9	100.0
40	**Ajinomoto Co.**	Tokyo	Food	Japan	171.9	(12.5)	0.1 *	171.9	100.0
41	**Fujitsu Ltd.**	Tokyo	Computers	Japan	163.0	(2.7)	7.8 *	170.7	95.5
42	**Sapporo Breweries**	Tokyo	Beer, spirits	Japan	159.6	(16.6)	0.0 *	159.6	100.0
43	**Daiei**	Kobe, Japan	Retail	Japan	157.5	(17.3)	0.0*	157.5	100.0
44	**Barilla SpA**	Parma, Italy	Food	Italy	151.9	34.4	0.0 *	151.9	100.0
45	**Lion Corp.**	Tokyo	Soaps	Japan	150.4	(8.9)	0.0 *	150.4	100.0
46	**Matsushita Denko**	Osaka, Japan	Electronics	Japan	143.3	4.9	0.0 *	143.3	100.0
47	**C&A Brenninkmeyer**	Amsterdam	Retail	Austria, Germany, Netherlands	139.9	16.0	0.0 *	139.9	100.0
48	**Gervais Danone**	Levallois-Perret, France	Food	France, Germany, Italy, Spain	139.1	9.5	17.3 *	156.3	89.0
49	**German Post Office**	Bonn	Postal services	Germany	134.5	49.8	0.0 *	134.5	100.0
50	**Daimler-Benz AG**	Stuttgart, Germany	Automotive	Britain, France, Germany, Japan, Jordan, Netherlands, Pan Arabia	130.6	17.3	124.6	255.2	51.2

Notes and sources: Advertising expenditures are in millions of U.S. dollars for yearend 1990. In many countries, ad spending figures are estimates and/or gross figures. * indicates that U.S. spending figures include measured media only as reported by LNA/Arbitron Multi-Media reports. All other U.S. spending figures include estimated unmeasured expenditures from AA's 100 Leading National Advertisers, Sept. 25, 1991. Non-U.S. ad spending includes only countries in the column headed "Countries in which spending was reported." Rankings of the top 10 advertisers in 43 countries begin on Page S-12. Pan Arabia includes Saudi Arabia, United Arab Emirates, Kuwait, Bahrain, Qatar and Oman. For more information, see "How to read these rankings," Page S-13.

AA chart: Kevin Brown and Ilse Cermak

Smart buy: Global weeklies

Healthy circulation—and ad rate—gains found with medium

By R. Craig Endicott

Advertisers with a bit more to spend on their print budgets in global media through mid-1991 found weeklies their most efficient buy.

As a group, the six international weeklies advanced only 1.1% in average costs per thousand, compared with 7.2% by dailies and 5.8% by monthlies. The weeklies also showed healthy circulation gains of an aggregate 4% while dailies remained flat and monthlies slipped 0.1%, according to *Advertising Age's* seventh annual Global Media & Marketing survey.

But weeklies did push up their ad rates an average 9.6% for a b&w page, substantially more than the average increase of 2.1% for monthlies, but less than the 12.3% hike for dailies.

Monthlies suited those seeking stable ad rates and low CPMs. Two monthlies, *National Geographic* and *Scientific American*, didn't raise rates, and *World-Paper* undercut its 1990 rate by 6.2% in 1991, according to the study, which included 17 global publications. *(See "How to read these rankings" on Page S-13 for selection criteria that determined a "global" publication.)*

But monthlies tend to have higher ad rates, particularly sector leviathan *Reader's Digest*, which charges $303,785 for a b&w page—nearly double the price of a b&w ad in *Time*, the second most costly publication. But *Reader's Digest's* CPM is $10.80, lowest on the chart. That compares with the *International Herald Tribune's* $229.74 CPM, the survey's highest.

Worldwide circulation among the 17 got a big boost from expansion in Europe, particularly Western Europe. European circulation grew 3.5% and Asia-Pacific advanced 2.7%, as Latin America dipped 0.6% and North America fell 1%, the latter accounting for nearly 70% of total circulation.

Circulation losses in North America were attributed largely to monthlies, down 1.7%, and dailies, down 5.9%, the latter solely the result of an 11.6% decline at *The Wall Street Journal*. The *Journal's* circulation rose 7.9% in Europe, where it was outpaced only by *Time's* 15.8%.

Time is in a five-year plan to raise its Atlantic edition (basically Europe) rate base to 750,000 by 1995. Both *Time* and *The Wall Street Journal Europe* have added U.K. printing plants in the past two years.

As in 1990, AT&T Co. was the most frequently mentioned source for ad revenues. Five publications named AT&T when asked to indicate their top five advertisers. Philip Morris Cos. was mentioned four times.

The recession's impact seemed to jockey leading ad categories among the publications: Autos were mentioned eight times in 1991 as a major ad source vs. 11 in 1990; airlines, six vs. 10; financial institutions, seven vs. 11. Computers, telecommunications and tourism picked up the slack. □

Spending

(Continued from Page S-1)

that isn't an auto marketer, spent $411 million, placing the Japanese company ninth.

Though only two Japanese companies rank among the top 10, 27 of the 50 marketers are based in Japan. Last year, 29 Japanese marketers made the top 50.

The majority of the Japanese companies are ranked from No. 22 to No. 46; 21 of those 25 marketers are Japanese.

Only nine U.S. marketers made the list, down from 10 last year. Of the U.S. companies on the ranking, five are food marketers, two are soap marketers and two are auto marketers.

German companies captured four spots, up from three.

Two and a half Dutch companies ranked. Italy and France each tallied three marketers, Switzerland placed one and the U.K. chalked up one-half. The split is the result of Unilever, which claims roots in the U.K. and the Netherlands.

Spending for the top 50 totaled $15.9 billion, up 8.2% from 1989 figures.

Auto marketers topped the list with 12 entries and $4.3 billion in spending.

Food marketers accounted for 11 companies spending a total of $4.3 billion, while electronics marketers logged in nine, investing a total of $2.7 billion.

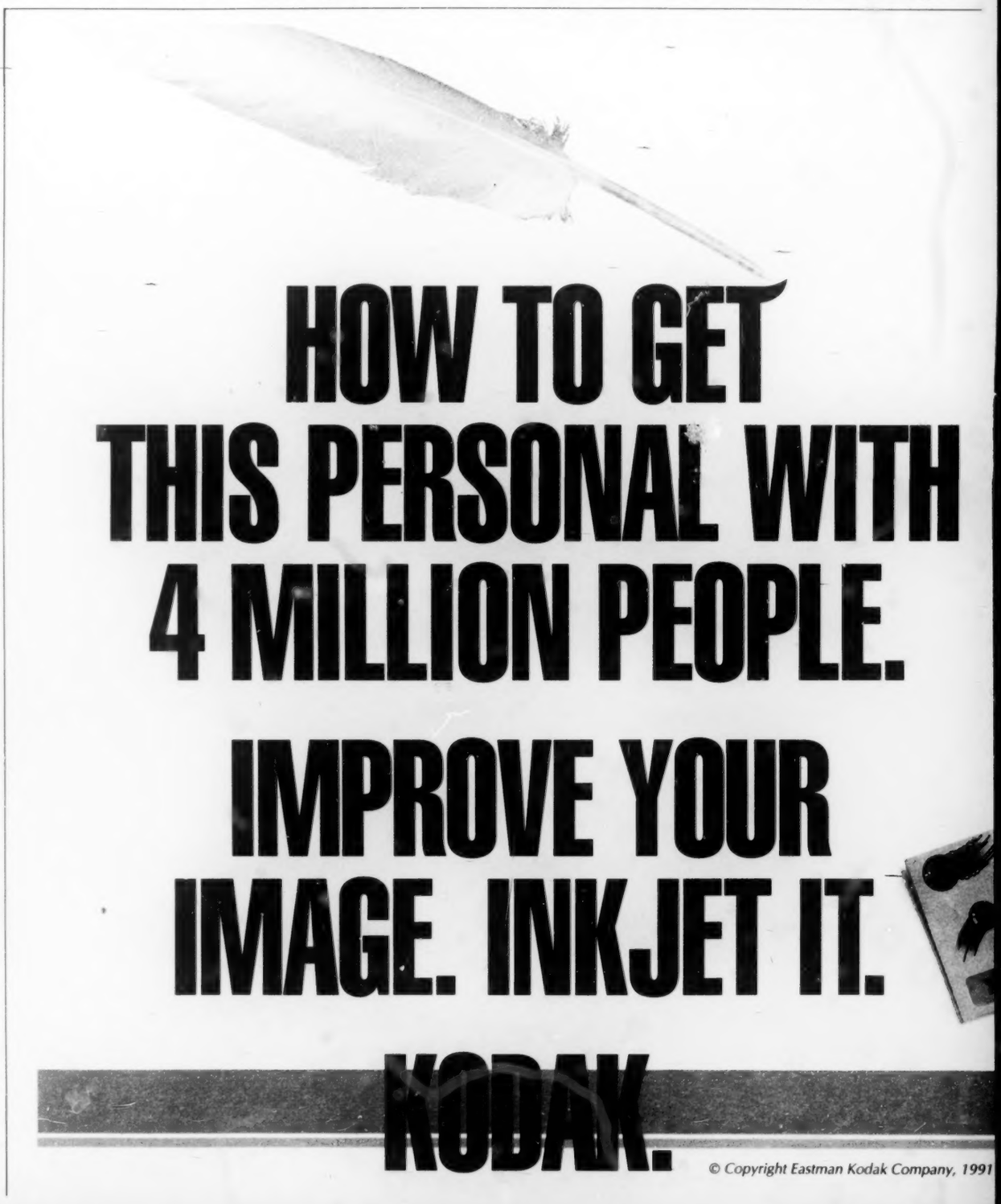
In addition, four breweries, four retailers, three soap marketers and two personal care companies made the list.

A computer marketer, a photographic company, a cosmetics marketer, a post office and a utility round out the ranking.

Newcomers to the list are No. 9 Canon; No. 44 Barilla, Parma, Italy; No. 46 Matsushita Denko, Osaka, Japan; No. 48 Gervais Danone, Lavallois-Perret, France; No. 49 the German Post Office, Bonn; and No. 50 Daimler-Benz, Stuttgart.

Companies that made the list in 1989 but not last year were Tokyo Electric Power, Tokyo; Matsushita Kogyo, Yokohama, Japan; Suzuki Motor Co., Hamamatsu, Japan; Seiyu, Tokyo; PepsiCo, Purchase, N.Y.; and Standa, Rome.

Information for *Ad Age's* ranking of the top 50 spenders in non-U.S. advertising was compiled from data supplied by 43 major advertiser markets by *Ad Age's* international network. Information came from a variety of sources *(see "How to read these rankings" on Page S-13)*. □



Cadbury

(Continued from Page S-1)

tight mixer heritage we'd had. We've done that in two ways, partly through repositioning Schweppes and making it more broad-range. For instance in the U.S., now we've added Schweppes raspberry ginger ale. The other way we've grown is through acquisition. We acquired Canada Dry and Crush without any dilution in earnings.

The levels of consumption in the U.S. are at least twice those in Europe, so we see potential for growing the soft-drink category in Europe. While the colas will take the major share, it still leaves a considerable amount of business for . . . the non-cola categories.

John Cleese combines the right sense of humor and Britishness for Schweppes spots in the U.S. and U.K.

AA: *Why did you move the worldwide beverage headquarters from Stamford, Conn., to London?*

Mr. Cadbury: I wanted to have a single strategic resource and headquarters. We originally went to the States with our beverage headquarters because the beverage part of our business was much smaller than the confectionery side. The U.S. has the most experienced management and the two major competitors are based in the U.S., so we needed to succeed [there]. Now with that knowledge, experience and team we can combine the confectionery and beverage teams and have one facility.

AA: *What about speculation that Cadbury Schweppes could be taken over, perhaps by Philip Morris Cos.?*

Mr. Cadbury: No company is invulnerable if it's a public company. I'm not a believer in the size idea that by being a certain size you make yourself less vulnerable. The only strategy I have for making takeovers difficult is to ensure we perform at a high standard and make ourselves very expensive.

AA: *How much do you spend on advertising worldwide?*

Mr. Cadbury: Our total marketing ratio is around 11% of sales. We're spending around $544 million on marketing and approximately half of that is advertising, so we would have an ad spend of around 5% [of sales] or about $289 million.

AA: *Do you have an agency alignment policy?*

Mr. Cadbury: We don't on confectionery. We have [developed] a single advertising execution for our Canada Dry brand, but we have not standardized or put all our business through a single agency. We have agencies like Foote, Cone & Belding we use pretty extensively on the beverage side, but we don't have a policy at this stage of one agency worldwide.

"We still have a long way to go before we can be satisfied that we are really a broadly based refreshment beverage company."

AA: *Are you moving money from advertising to other promotional spending?*

Mr. Cadbury: Over time, we've spent more on promotions as a percentage of the total budget. On the other hand, we've increased our marketing investment. During the last 12 months, price has obviously been a very significant factor to the consumer. So we have increased our promotional budget.

AA: *What about Eastern Europe?*

Mr. Cadbury: We have for a number of years franchised our beverage brands through Eastern Europe, primarily Schweppes. We've been looking at possible opportunities to take our confectionery business more directly into Eastern Europe.

AA: *Do you see getting involved in celebrity advertising or entertainment marketing like Coca-Cola and Pepsi?*

Mr. Cadbury: We are not doing anything that could really parallel the Coke or Pepsi investments behind personalities. Currently, we have campaigns running in the U.S. and U.K. using John Cleese as a spokesman for Schweppes. I think he combines the right personality, sense of Britishness and sense of humor.

AA: *Do you plan more brand extensions?*

Mr. Cadbury: Management is looking for any opportunity they can to exploit the brand franchise. In our case with the Cadbury brand, the [recent] extensions into ice cream, chocolate milk, chocolate desserts are all very compatible with the Cadbury heritage.

AA: *What are Cadbury Schweppes' biggest problems or weaknesses?*

Mr. Cadbury: We still have a long way to go before we can be satisfied that we are really a broadly based refreshment beverage company. And there are geographical weaknesses.

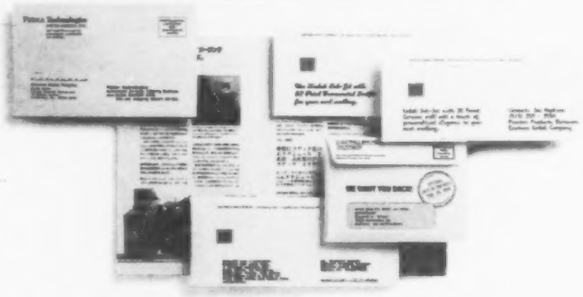
We have a much stronger position in the U.K., France and Spain than we do in Germany, Italy or even the U.S. market. In confectionery, equally we . . . have other positions where we're underrepresented. □

Ink makes it personal. There was a time when the most sincere notes and the most important documents were written and individually signed by hand using quill and ink. Since then, ink has been the long standing and classic means of expressing personal involvement in a message. Time has also proven ink to be a most powerful means of eliciting a personal response.

Now, Kodak combines the potential of advanced technology with the powerful personal touch of ink. Here are only a few examples of how high-quality, Kodak ink-jet technology can bring innovative solutions to personal printing.

If you're interested in improving your image and getting more personal with your customers, call (513) 259-3100, or write Eastman Kodak Company, Dayton Operations, 3100 Research Boulevard, Dayton, Ohio 45420-4099.

With direct mail ink-jet imaging not only avoids the perils of paper labels, but also provides greater versatility and improved response rates. Kodak ink-jet gives you the highest quality imaging for addressing and the flexibility to position personalized messages practically anywhere. You also get bar codes with tested readability rates of 100%. All Kodak products have received US Postal Service POSTNET bar code certification.



As a major player in high-volume, variable data imaging, Kodak offers the only imaging system capable of full-page variable-data printing at full production speeds. The system's versatility makes it perfect for everything from instant scratch-off lottery tickets to individualized sweepstakes mailings.

Dual image, ink-jet synchronization lets you move from conventional addressing to creative addressing. For catalogs you can address as well as deliver personalized messages both inside and outside. And, you can address and code inside order forms to solicit response and speed fulfillment. For magazines, Kodak's Selective Imaging and Gathering means ads can be selectively bound in and personalized. Individualized messages can be imaged both inside and outside for maximum impact and reader involvement.

The Focus Vision of Kodak

Kodak

Top 10 advertisers in 43 countries

Africa/Middle East

Israel ($ in thousands)

Advertiser	1990	1989	% chg
Bank Leumi	5,900	3,100	90.3
Elite	5,900	4,700	25.5
Tnuva	5,600	2,400	133.3
Israel Discount Bank	5,300	2,800	89.3
Osem Foods	5,200	3,500	48.6
Mifal Hapayis Lottery	4,900	3,400	44.1
Bank Hapoalim	4,700	3,700	27.0
First International Bank	3,500	2,600	34.6
Elyashar Imports	3,000	2,500	20.0
Coca-Cola Co	3,000	NA	NA

Notes: Figures reported in U.S. dollars. **Source:** Advertisers Association of Israel.

Jordan ($ in thousands)

Advertiser	1990	1989	% chg
Royal Jordanian	114	NA	NA
Jamayco	85	NA	NA
Jordan Islamic Bank	84	NA	NA
Housing Bank	65	NA	NA
Arab Bank	48	NA	NA
Refco	33	NA	NA
Egyptair	30	NA	NA
Daimler-Benz AG	25	NA	NA
Mr. Chips	20	NA	NA
BMW AG	15	NA	NA

Notes: Converted at 1.4855 U.S. dollars to the dinar. **Source:** Pan Arab Research Center.

Lebanon ($ in thousands)

Advertiser	1990	1989	% chg
Procter & Gamble Co	14,632	NA	NA
Coca-Cola Co	14,570	NA	NA
Guinness PLC	14,176	NA	NA
Philip Morris Cos	7,893	NA	NA
Grand Metropolitan	7,663	NA	NA
RJR Nabisco	7,203	NA	NA
Skin Net	6,678	NA	NA
PepsiCo	6,586	NA	NA
Afia	5,419	NA	NA
Anheuser-Busch Cos	5,157	NA	NA
Ad Diyar	4,745	NA	NA
Cadbury Schweppes	3,683	NA	NA

Notes: Converted at 0.013120 U.S. dollars to the L pound. **Source:** Pan Arab Research Center.

Pan Arabia ($ in thousands)

Advertiser	1990	1989	% chg
Philip Morris Cos	8,979	10,763	(16.6)
Procter & Gamble Co	7,971	9,564	(16.7)
Toyota Motor Corp	6,817	6,179	10.3
Rothmans International	5,104	6,059	(15.8)
General Motors Corp	3,938	2,192	79.7
Philips NV	3,823	1,755	117.8
Unilever NV	3,316	2,212	49.9
Nissan Motor Co	3,017	3,910	(22.8)
PepsiCo	2,720	3,017	(9.8)
Matsushita Electric Industrial Co	2,610	4,063	(35.8)

Notes: Pan Arabia includes: Bahrain, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates. Figures reported in U.S. dollars. **Source:** Pan Arab Research Center.

South Africa ($ in thousands)

Advertiser	1990	1989	% chg
Pick 'n Pay	16,566	12,227	35.5
OK Bazaars	16,558	13,736	20.5
Unilever NV	15,229	12,885	18.2
Checkers	13,788	12,846	7.3
SA Breweries	12,036	9,209	30.7
Toyota SA*	8,672	6,501	33.4
South African Broadcasting Corp	7,522	NA	NA
Nissan*	6,130	5,417	13.2
Rothmans International	5,731	4,682	22.4
Stellenbosch Farmers Wineries	5,390	5,224	3.2

Notes: Figures converted at 0.38751 and 0.38694 U.S. dollars to the rand. *Indicates companies are locally owned. **Source:** Market Research Africa.

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Kansas City, MO- Hobbs, NM

Asia Pacific

Australia ($ in thousands)

Advertiser	1990	1989	% chg
Coles Myer	84,892	80,798	5.1
Unilever NV	43,558	48,359	(9.9)
Australian Government	32,528	22,365	45.4
Telecom Australia	26,791	24,600	8.9
Kellogg Co	25,633	25,356	1.1
Toyota Motor Corp	25,501	21,931	16.3
Amatil Ltd	24,685	23,972	3.0
Mitsubishi Motor Corp	24,397	23,901	2.1
Ford Motor Co	23,872	18,975	25.8
Reckitt & Colman PLC	23,725	21,607	9.8

Notes: Converted at 0.7807 and 0.80034 U.S. dollars to the Australian dollar. **Source:** Tart Research.

Hong Kong ($ in thousands)

Advertiser	1990	1989	% chg
Philip Morris Cos	10,568	8,840	19.5
Sharp Corp	9,442	5,140	83.7
Kao Corp	9,314	5,870	58.7
Hong Tai Travel	8,327	6,940	20.0
McDonald's Corp	7,793	5,480	42.2
Japan Tobacco Co	6,303	6,530	(3.5)
Sunflower Travel	6,296	4,370	44.1
B.A.T. Industries	6,170	4,980	23.9
RJR Nabisco	6,028	NA	NA
Matsushita Electric Industrial Co	5,769	5,480	5.3

Notes: Converted at 0.1284 and 0.1282 U.S. dollars to the H.K. dollar. **Source:** AGB Hong Kong.

India ($ in thousands)

Advertiser	1990	1989	% chg
Unilever NV	20,894	12,199	71.3
Godrej	6,371	3,836	66.1
Parle Products	6,199	3,899	59.0
Colgate-Palmolive Co	5,166	4,024	28.4
Bajaj Auto	4,764	2,641	80.4
ITC	4,477	1,446	209.6
Glaxo	4,248	2,452	73.2
HMT	3,674	1,258	192.1
Videocon	3,674	3,144	16.8
Nirma Chemicals	3,616	3,207	12.8

Notes: Converted at 0.0574 and 0.06288 U.S. dollars to the rupee. **Source:** Operations Research Group.

Indonesia ($ in thousands)

Advertiser	1990	1989	% chg
Sampoerna	2,750	1,425	93.0
Djarum	2,475	2,451	1.0
Bank Danamon	2,365	570	314.9
Toyota Motor Corp	2,145	2,109	1.7
Daihatsu Inc	1,980	570	247.4
Bank Duta	1,925	781	146.5
Bendera/Bendera 123	1,815	1,368	32.7
Lippobank	1,705	2,622	(35.0)
Philip Morris Cos	1,650	1,226	34.6
Bank Central Asia	1,430	741	93.0

Notes: Figures reported in U.S. dollars. **Source:** Citra: Lintas Indonesia and Asian Marketing Week.

Japan ($ in thousands)

Advertiser	1990	1989	% chg
Canon Inc	372,877	NA	NA
Hitachi Ltd	367,203	295,124	24.4
Matsushita Electric Industrial Co	355,536	336,643	5.6
Toyota Motor Corp	309,386	236,381	30.9
Kao Corp	304,217	313,891	(3.1)
Suntory	283,270	311,514	(9.1)
Toshiba Corp	259,528	259,759	(0.1)
NEC Corp	258,213	257,040	0.5
Nippon Telephone & Telegraph	252,213	230,853	9.3
Mitsubishi Motor Corp	238,726	247,943	(3.7)

Notes: Converted at 0.00692 and 0.00745 U.S. dollars to the yen. **Source:** Japanese Ministry of Finance.

Malaysia ($ in thousands)

Advertiser	1990	1989	% chg
Rothmans International	21,456	16,317	31.5
Nestle SA	11,098	9,642	15.1
B.A.T. Industries	11,098	12,609	(12.0)
RJR Nabisco	7,547	10,755	(29.8)
Colgate-Palmolive Co	6,807	6,304	8.0
Unilever NV	4,328	5,563	(22.2)
Royal Dutch Shell	4,328	2,596	66.7
NEC Corp	3,699	NA	NA
Philip Morris Cos	3,699	NA	NA
Matsushita Electric Industrial Co	3,514	3,709	(5.2)

Notes: Converted at 0.36993 and 0.37085 U.S. dollars to the Malaysian dollar. **Source:** Survey Research Malaysia.

New Zealand ($ in thousands)

Advertiser	1990	1989	% chg
New World Supermarkets	7,002	6,099	14.8
ANZ Bank	6,751	NA	NA
Farmers	6,738	6,817	(1.1)
Telecom Services	6,304	3,895	61.9
Smiths City	6,082	4,182	45.4
The Warehouse	5,176	3,678	40.7
F.W. Woolworth	4,264	4,876	(12.6)
Noel Leeming Appliances	3,854	NA	NA
TVNZ Advertising	3,565	2,906	22.7
Deka Department Stores	2,988	NA	NA

Notes: Converted at 0.59688 and 0.60458 U.S. dollars to the N.Z. dollar. **Source:** AGB:McNair.

Philippines ($ in thousands)

Advertiser	1990	1989	% chg
San Miguel Corp	9,680	10,207	(5.2)
Nestle SA	9,184	10,855	(15.4)
Procter & Gamble Co	5,452	5,365	1.6
Philippine Refining Corp	5,411	5,353	1.1
Colgate-Palmolive Co	5,375	5,386	(0.2)
Fortune Tobacco Corp	3,939	4,126	(4.5)
Coca-Cola Co	3,585	4,827	(25.7)
United Laboratories	2,996	5,052	(40.7)
Asia Brewery Co	2,357	2,930	(19.6)
Philippine Long Distance	2,058	NA	NA

Notes: Figures reported in U.S. dollars. **Source:** Philippine Monitoring Services.

Singapore ($ in thousands)

Advertiser	1990	1989	% chg
McDonald's Corp	3,065	2,581	18.8
Yaohan	2,847	2,504	13.7
Singapore Airlines	2,080	1,526	36.3
American Express Co	1,971	2,043	(3.6)
PepsiCo	1,916	1,598	19.9
(Singapore) Telecom	1,697	NA	NA
Courts Furniture	1,642	1,306	25.8
Metro Department Store	1,587	1,203	31.9
Tiger Beer Co	1,533	1,454	5.4
Ministry of Communications	1,533	NA	NA

Notes: Converted at 0.54741 and 0.51212 U.S. dollars to the S. dollar. **Source:** AA bureau reports.

South Korea ($ in thousands)

Advertiser	1990	1989	% chg
Samsung Co	47,022	39,068	20.4
Lotte Group	46,744	33,401	39.9
Goldstar	38,030	28,476	33.5
Lucky	37,384	35,678	4.8
Pacific Chemical	32,578	34,042	(4.3)
Dongsuh Foods	26,852	17,678	51.9
Hyundai Group	25,741	NA	NA
Daewoong Pharmaceuticals	21,017	15,465	35.9
Daewoo Electronics	19,764	15,189	30.1
Ildong Pharmaceutical	19,224	NA	NA

Notes: Converted at 0.00142 and 0.00149 U.S. dollars to the won. **Source:** Cheil Communications.

Taiwan ($ in thousands)

Advertiser	1990	1989	% chg
President Food Co	20,999	17,210	22.0
Ford Motor Co	9,471	NA	NA
United Daily News	9,168	NA	NA
China Times Weekly	8,928	NA	NA
Kuo Lian Chemical Industry	8,920	6,478	37.7
Unilever NV	8,920	4,799	85.9
King Car Co	8,693	7,417	17.2
Nice Group	8,580	9,211	(6.9)
Kao Corp	8,396	3,875	116.7
Kolin Electric	6,914	6,656	3.9

Notes: Converted at 0.3777 and 0.03665 U.S. dollars to the T dollar. **Source:** Breakthrough Magazine.

Thailand ($ in thousands)

Advertiser	1990	1989	% chg
Muang Thong Thani	3,817	NA	NA
Kratingdaeng	3,436	NA	NA
Sony Corp	3,056	877	248.4
Procter & Gamble Co	2,533	2,769	(8.5)
Bank of Ayundhya	2,400	NA	NA
Colgate-Palmolive Co	2,053	8,039	(74.5)
Nissan Motor Co	2,022	2,812	(28.1)
Shark & White Shark	1,997	NA	NA
Fuji Photo Film	1,935	633	205.7
Nestle SA	1,797	6,168	(70.9)

Notes: Converted at 0.04163 and 0.03913 U.S. dollars to the baht. **Source:** AA bureau reports.

Europe

Austria ($ in thousands)

Advertiser	1990	1989	% chg
Unilever NV	38,237	33,386	14.5
Spar AG	16,673	10,403	60.3
Billa Konzern	16,176	14,778	9.5
Mars Inc	13,176	11,725	12.4
Raiffeisen Bank	12,958	11,000	17.8
Philip Morris Cos	12,557	8,764	43.3
Procter & Gamble Co	12,103	10,630	13.9
Porsche AG	11,885	9,844	20.7
Henkel Group	11,868	9,746	21.8
Konsum Oesterreich	10,377	12,337	(15.9)

Notes: Converted at 0.0872 and 0.07555 U.S. dollars per schilling. **Source:** A.C. Nielsen Co.

Britain ($ in thousands)

Advertiser	1990	1989	% chg
Unilever NV	199,644	177,185	12.7
Procter & Gamble Co	159,316	144,286	10.4
Mars Inc	124,966	99,517	25.6
Nestle SA	110,072	110,935	(0.8)
Kellogg Co	92,526	84,047	10.1
PSA Peugeot-Citroen SA	79,295	72,294	9.7
British Telecom	67,444	75,123	(10.2)
Ford Motor Co	62,156	63,387	(1.9)
Philip Morris Cos	62,085	91,899	(32.4)
American Brands	59,980	49,156	22.0

Notes: Converted at 1.7688 and 1.76424 U.S. dollars to the British pound. **Source:** Campaign.

Denmark ($ in thousands)

Advertiser	1990	1989	% chg
FDB	14,513	8,605	68.6
Procter & Gamble Co	8,045	0	NA
Dansk Supermarked	7,668	4,786	60.6
Unilever NV	7,647	3,335	129.3
Aller	7,534	3,866	94.9
Magasin	7,129	5,148	38.5
Scandinavian Airlines System	3,813	2,789	36.7
Colgate-Palmolive Co	3,331	2,193	51.9
Philip Morris Cos	3,331	764	336.1
Royal Dutch Shell	3,094	2,092	47.9

Notes: Converted at 0.1606 and 0.13718 U.S. dollars to the kroner. **Source:** Brogger & Nygart.

Finland ($ in thousands)

Advertiser	1990	1989	% chg
Aro-yhtyma	17,428	12,361	41.0
Valio	13,450	15,859	(15.2)
Korpivaara	11,390	11,894	(4.2)
Veho	11,130	11,894	(6.4)
OKOBANK Group	10,940	11,428	(4.3)
SKOBANK Group	10,609	15,859	(33.1)
Kesko	9,543	12,361	(22.8)
OKOBANK Real Estate	8,525	8,163	4.4
VV-Auto	7,601	7,230	5.1
Ford Motor Co	7,459	6,763	10.3

Notes: Converted at 0.2368 and 0.23322 U.S. dollars to the markka. **Source:** AA bureau reports.

France ($ in thousands)

Advertiser	1990	1989	% chg
Renault SA	177,365	158,788	11.7
PSA Peugeot-Citroen SA	114,541	137,156	(16.5)
Philips NV	86,498	37,777	129.0
Procter & Gamble Co	83,220	85,051	27.9
Henkel Group	82,856	73,359	12.9
Unilever NV	71,930	38,090	88.8
Volkswagen AG	67,741	81,040	(16.4)
Fiat SpA	63,007	47,339	33.1
Sopad	58,454	66,776	(12.5)
Colgate-Palmolive Co	57,362	50,317	14.0

Notes: Converted at 0.1821 and 0.15675 U.S. dollars to the franc. **Source:** SECODIP as reported by Decisions Media.

Germany ($ in thousands)

Advertiser	1990	1989	% chg
Procter & Gamble Co	238,875	176,160	35.6
Unilever NV	220,714	152,289	44.9
Philip Morris Cos	151,499	100,762	50.4
Nestle SA	143,421	119,998	19.5
German Post Office	134,455	89,732	49.8
C&A Brenninkmeyer	130,488	112,271	16.2
Henkel Group	113,471	90,105	25.9
Mars Inc	110,210	89,945	22.5
Volkswagen AG	103,833	87,441	18.7
General Motors Corp	96,498	79,341	21.6

Notes: Converted at 0.6144 and 0.53285 U.S. dollars to the mark. **Source:** A.C. Nielsen Co.

Greece ($ in thousands)

Advertiser	1990	1989	% chg
Unilever NV	15,368	9,140	68.1
Procter & Gamble Co	9,161	4,964	84.5
Soprol AE	7,475	5,427	37.7
Delta Dairy Products	6,017	4,107	46.5
Colgate-Palmolive Co	5,985	4,595	30.3
Karoulias	4,425	NA	NA
Elais Oils	4,026	3,831	5.1
Metaxas	3,855	NA	NA
Interamerican Insurance	3,506	2,191	60.0
Warner Lambert Co	3,379	NA	NA

Notes: Figures are converted at 0.00634 and 0.00626 U.S. dollars to the drachma. **Source:** A.C. Nielsen Co.

Italy ($ in thousands)

Advertiser	1990	1989	% chg
Unilever NV	400,598	448,893	(10.8)
Procter & Gamble Co	332,236	229,026	45.1
Fiat SpA	213,994	192,830	11.0
Ferrero SpA	206,946	160,692	28.8
Barilla SpA	151,903	112,992	34.4
PSA Peugeot-Citroen SA	143,807	94,320	52.5
Henkel Group	108,385	42,379	55.8
Standa	105,797	126,673	(16.5)
Alfa Romeo	100,705	72,039	39.8
Perfetti SpA	96,610	92,026	5.0

Notes: Converted at 0.00083 and 0.00073 U.S. dollars to the lira. **Source:** A.C. Nielsen Co.

Netherlands ($ in thousands)

Advertiser	1990	1989	% chg
Unilever NV	21,426	15,314	39.9
Sara Lee Corp	15,628	5,907	164.6
Mars Inc	12,343	8,420	46.6
Philips NV	12,043	6,892	74.7
Henkel Group	10,329	4,350	137.4
Nestle SA	8,608	3,392	153.7
Albert Heijn	8,117	6,490	25.1
General Motors Corp	7,076	5,058	39.9
PSA Peugeot-Citroen SA	6,794	6,153	10.4
Postbank	6,419	6,623	(3.1)

Notes: Converted at 0.5453 and 0.47195 U.S. dollars to the guilder. **Source:** Adformatie.

Norway ($ in thousands)

Advertiser	1990	1989	% chg
Toyota Motor Corp	7,298	4,900	48.9
Norske Meierier	6,711	6,107	9.9
Royal Dutch Shell	6,219	NA	NA
Denofa LilleGorg Fabrikker A/S	6,140	4,086	50.3
Ford Motor Co	5,775	3,955	46.0
General Motors Corp	5,711	4,522	26.3
Statens Informasjonstjeneste	5,680	4,508	25.0
Norsk Tipping A/S	5,172	3,606	43.4
Volkswagen AG	5,029	4,668	7.7
Freia AS	5,013	3,490	43.7

Notes: Converted at 0.15865 and 0.14541 U.S. dollars to the kroner. **Source:** A/S Norsk Reklame-Statistikk.

Spain ($ in thousands)

Advertiser	1990	1989	% chg
PSA Peugeot-Citroen SA	145,029	103,389	40.3
Spanish Economy Ministry	124,010	75,755	63.7
Volkswagen AG	118,809	84,857	40.0
Renault SA	99,251	84,840	17.0
El Corte Ingles	90,533	76,546	18.3
Unilever NV	72,573	52,457	38.3
Fiat SpA	69,524	51,850	34.1
Nestle SA	62,920	43,186	45.7
Pascual	53,288	22,995	131.7
Henkel Group	51,164	32,249	58.7

Notes: Converted at 0.00974 and 0.00842 U.S. dollars to the peseta. **Source:** J. Walter Thompson Co.

Sweden ($ in thousands)

Advertiser	1990	1989	% chg
ICA AB	83,187	72,027	15.5
Kooperativa Forbundet	74,825	76,894	(2.7)
Volvo AB	21,245	20,821	2.0
Telverket	19,535	16,159	20.9
Ahlens AB	17,089	23,347	(26.8)
Onoff	14,919	NA	NA
Philips NV	12,526	9,920	26.3
Hennes & Mauritz AB	12,144	10,632	14.2
Vivo-Favor Forbundet	11,408	11,825	(3.5)
Sparbankernas	10,510	NA	NA

Notes: Converted at 0.168070 and 0.15595 U.S. dollars to the kroner. **Source:** IMU-Testologen AB.

Switzerland ($ in thousands)

Advertiser	1990	1989	% chg
Migros	58,017	44,228	31.2
Coop	46,603	36,490	27.7
General Motors Corp	20,928	13,567	54.3
Toyota Motor Corp	16,702	15,445	8.1
Ford Motor Co	11,090	9,927	11.7
Fiat SpA	10,183	7,459	36.5
Unilever NV	9,172	8,761	4.7
PSA Peugeot-Citroen SA	9,093	5,940	53.1
Nissan Motor Co	8,871	7,732	14.7
Mars Inc	8,689	10,578	(17.9)

Notes: Converted at 0.7153 and 0.62005 U.S. dollars to the franc. **Source:** AA bureau reports.

TV'S #5 BEST KEPT SECRET

THE PBS WEEKLY SERIES *MOTORWEEK* HAS A UNIQUELY COMMITTED AND RESPONSIVE AUDIENCE. COMPARED TO THE GENERAL U.S. POPULATION, PBS "HOW-TO" VIEWERS ARE:

- 159% more likely to own a Mercedes
- 75% more likly to have spent $500 on mail order, phone, catalogs
- 65% more likely to have $50K invested
- 67% more likely to own a home computer

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MARYLAND PUBLIC TELEVISION
(609) 953-5757
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Turkey ($ in thousands)

Advertiser	1990	1989	% chg
Unilever NV	18,419	16,578	11.1
Veb Ofset	9,354	6,730	39.0
Milpa	7,972	2,799	184.8
Arcelik	7,546	2,796	169.9
AEG Portfolio	7,124	2,330	205.8
Eczacibasi	7,038	NA	NA
Beko	6,466	NA	NA
Hurpa	6,378	2,710	135.3
Durust Kimya	6,296	3,949	59.4
Turyag	6,212	NA	NA

Notes: Converted at 0.000398 and 0.0005 U.S. dollars to the lira. **Source:** Deniz Advertising Research.

North America

Canada ($ in thousands)

Advertiser	1990	1989	% chg
Thomson Group	64,888	22,190	192.4
General Motors Corp	58,513	47,590	23.0
Government of Canada	57,641	63,788	(9.6)
Procter & Gamble Co	57,564	51,484	11.8
Sears, Roebuck & Co	54,750	18,455	196.7
Molson Cos	45,097	46,475	(3.0)
Paramount Communications	38,281	35,654	7.4
Unilever NV	37,506	39,405	(4.8)
Cineplex Odeon Corp	36,705	36,381	0.9
John Labatt Ltd	34,979	37,500	(6.7)

Notes: Converted at 0.8563 and 0.83882 U.S. dollars to the C dollar. **Source:** Marketing.

United States ($ in millions)

Advertiser	1990	1989	% chg
Procter & Gamble Co	2,285	1,802	26.8
Philip Morris Cos	2,210	2,072	6.6
Sears, Roebuck & Co	1,507	1,465	2.9
General Motors Corp	1,503	1,354	10.2
Grand Metropolitan	883	806	9.5
PepsiCo	849	786	8.0
AT&T Co	797	568	40.3
McDonald's Corp	764	774	-1.3
Kmart Corp	693	562	23.4
Time Warner	677	582	16.3

Sources: LNA/Arbitron Multi-Media Service and 100 Leading National Advertisers (AA, Sept. 25, 1991).

Latin America

Argentina ($ in thousands)

Advertiser	1990	1989	% chg
Unilever NV	23,034	5,280	336.2
Philip Morris Cos	16,924	6,614	155.9
Aurora SAICIF	11,573	4,738	144.2
B.A.T. Industries	10,080	4,101	145.8
Coca-Cola Co	8,972	2,023	343.4
PepsiCo	7,242	2,607	177.8
Mastellone Hermanos	5,799	NA	NA
Refineras de Maiz	5,583	NA	NA
Tiras Artisticas	4,576	NA	NA
PSA Peugeot-Citroen SA	3,921	3,012	30.2

Notes: Figures reported in U.S. dollars. **Source:** Fuentes S.A.

Brazil ($ in thousands)

Advertiser	1990	1989	% chg
Unilever NV	55,368	55,319	0.1
Casas Bahia	50,258	28,652	75.4
Cia. Bras de Distribuicao	40,254	0	NA
Philips NV	37,578	38,647	(2.8)
Lojas Arapua	31,493	45,450	(30.7)
Nestle SA	29,642	33,772	(12.2)
Mappin-Casa Anglo	26,687	34,330	(22.3)
Banco Bradesco	25,486	35,023	(27.2)
Globex Utilidades	23,816	0	NA
Lopes Consultoria	18,043	31,694	(43.1)

Notes: Figures reported in U.S. dollars. **Source:** AA bureau reports.

Chile ($ in thousands)

Advertiser	1990	1989	% chg
Unilever NV	12,000	NA	NA
Nestle SA	8,700	NA	NA
Compania Cerverza Unidas	3,900	NA	NA
Coca-Cola Co	3,600	NA	NA
Soprole	3,400	NA	NA
Procter & Gamble Co	3,100	NA	NA
CMPC	3,100	NA	NA
CIA Telefonos	2,900	NA	NA
Corona	2,900	NA	NA
Centenario	2,800	NA	NA

Notes: Figures reported in U.S. dollars. **Source:** AA bureau reports.

Mexico ($ in thousands)

Advertiser	1990	1989	% chg
Procter & Gamble Co	7,262	NA	NA
PepsiCo	5,625	NA	NA
Unilever NV	5,162	NA	NA
Colgate-Palmolive Co	4,628	NA	NA
Casa Pedro Domecq	3,916	NA	NA
Bancomer Bank	3,204	NA	NA
Kimberly Clark Corp	3,204	NA	NA
Coca-Cola Co	3,168	NA	NA
Bacardi Corp	2,884	NA	NA
Kellogg Co	2,385	NA	NA

Notes: Converted at 0.000356 and 0.00042 U.S. dollars to the peso. **Source:** AA bureau reports.

Puerto Rico ($ in thousands)

Advertiser	1990	1989	% chg
Procter & Gamble Co	25,606	22,928	11.7
Unilever NV	11,256	9,631	16.9
Sears, Roebuck & Co	10,977	5,444	101.6
AT&T Co	9,277	5,643	64.4
Colgate-Palmolive Co	8,639	9,590	(9.9)
Puerto Rico Telephone	6,832	4,691	45.6
Nestle SA	6,602	4,139	59.5
Anheuser-Busch Cos	5,301	4,527	17.1
PepsiCo	5,271	NA	NA
Sterling Products	4,550	NA	NA

Source: Publish Records Service.

How to read these rankings

Advertising Age's fifth annual ranking of major advertisers outside the U.S. and seventh annual Global Media lineup are compiled from data obtained from around the world.

Global marketers

The advertiser ranking on Page S-6 includes spending figures from 43 countries. Sources for the data include research companies, media tracking services, marketing publications and advertising agencies. Lists of data about ad spending within countries were obtained by *Ad Age* correspondents. The lists ranged from as many as 200 advertisers to only the top 10 spenders.

There is no standard procedure for monitoring ad spending worldwide. In some countries, lists are compiled by brand or by divisions or subsidiaries of companies. Wherever possible, spending reported for a brand, division or subsidiary is added to the parent company's total. The company names have been "Americanized" for the purpose of this ranking.

Ad spending in some countries is reported according to rate card figures. When appropriate, gross rates are discounted by AA editors to reflect more accurately actual spending in the market.

Sources for individual countries are listed below their respective country rankings in the tables titled "Top 10 advertisers in 43 countries," starting on Page S-12. All figures are reported in U.S. dollars, using conversion rates of 12-month averages for 1990 and 1989, respectively. Source lines include conversion rates for both 1990 and 1989, unless sources provided figures in U.S. dollars rather than local currencies.

Global media

AA requested circulation and other data from publishers for years ended June 1990 and June 1991. Ad rates reported were in effect at the end of June in both those years.

Criteria for inclusion of publications in the table on Page S-2 are:

- Substantial mass circulation on at least three continents.
- Worldwide circulation of at least 50,000 of international editions equal to at least 10% of the domestic circulation.
- Advertising in all editions purchased through a central office.

Trade publications are excluded because they aren't considered mass circulation magazines.

Licensed publications are also excluded because they lack central control over advertising. □

Coordinating this report were Kevin Brown, Ilse Cermak, R. Craig Endicott, Nancy Giges, Julie Skur Hill and Kathy Welyki.

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Asian satellite TV blasts off

By Andrew Geddes

HONG KONG—The battle in Southeast Asia's exploding commercial satellite TV industry is intensifying.

Spurred by the generally poor quality of services supplied by terrestrial broadcasters and the region's expanding economies, major English-language program suppliers are finding vast new markets for their products via systems employing direct broadcast by satellite.

One of the most ambitious ventures to date is HutchVision's Satellite Television Asian Region TV, known as STAR TV, which started regular broadcasts earlier this year. STAR TV channels are transmitted via the AsiaSat 1 satellite's signal, which shadows an estimated 2.7 billion potential viewers in 38 countries.

To date, STAR TV has launched Sports Channel and Music Channel, joint ventures with Denver-based sports programmer Prime Network and New York-based Viacom International's MTV Networks, respectively. BBC International made its debut Oct. 15.

A joint-venture agreement has also been signed with Hong Kong's Asia Television for a Chinese Channel that will make its debut later this year.

Negotiations for partners for STAR TV's English-language Entertainment Channel are yet to be concluded.

STAR TV provides its service free and relies solely on advertising for revenue. George Chan, VP-sales and marketing, said STAR TV hopes to reach 4 million homes by 1994.

STAR TV and MTV join forces in Asia for the satellite TV war.

Despite the absence of hard audience data and the relatively small numbers, Mr. Chan said STAR TV raised $65 million in advance ad revenues through a special plan.

Each advertiser, including Chase Manhattan Corp., Mobil Oil Corp. and Mitsubishi Motor Corp., paid $2 million for a package of spots and an opportunity to buy 0.25% of the company's equity, Mr. Chan said.

Single global buys on MTV are "not far away," he said.

"We're talking to people like Pepsi and Coke," MTV Chairman-CEO Tom Freston said.

"We really want MTV to be perceived as an indigenous network where it is," he said.

Mr. Chan said advertisers on STAR TV's transmission in August of the MTV Video Music Awards included Nike and Swatch International.

He said STAR TV is also actively marketing its channels wholesale to the region's some 150 terrestrial broadcasters and cable TV stations.

Initial rates are $1,200 for a 30-second run-of-schedule spot or $1,680 for a fixed-time spot, Mr. Chan said.

Two other networks seeking viewers, Cable News Network International and ESPN, won't be part of STAR TV's service. Those can be seen starting next month via the Indonesian government-operated Palapa B2 satellite.

Industry sources say STAR TV failed to sign CNN and ESPN because the two U.S. program suppliers disagree with STAR TV's policy of not scrambling signals.

On the Palapa system, CNN and ESPN will encode their signals and rely on subscriptions as a prime source of revenue.

CNN has been available for four years but has few viewers because consumers must have a 7.5-meter dish costing tens of thousands of dollars to receive the signal, beamed from an Intelsat satellite. A dish less than half that size, costing about $10,000, is needed to receive Palapa's signal, available to an estimated 40 million TV homes throughout the eight-country region.

A CNN spokeswoman said the network expects to have about 2 million subscribers in three to five years. Ad rates and subscription price for the Asian service aren't yet available.

Sources say U.S.-based Home Box Office, state-owned Singapore Broadcasting Service and TV New Zealand are also negotiating for space on the Palapa satellites. □

Marcy Magiera in Los Angeles contributed to this story.

In America, there's a local language edition of Business Week.

The same goes for China, Hungary and Russia.

BusinessWeek

PROFIT BY IT

Publishers vs. EC proposals

Campaign addresses threats to ad revenues, jobs

By Laurel Wentz

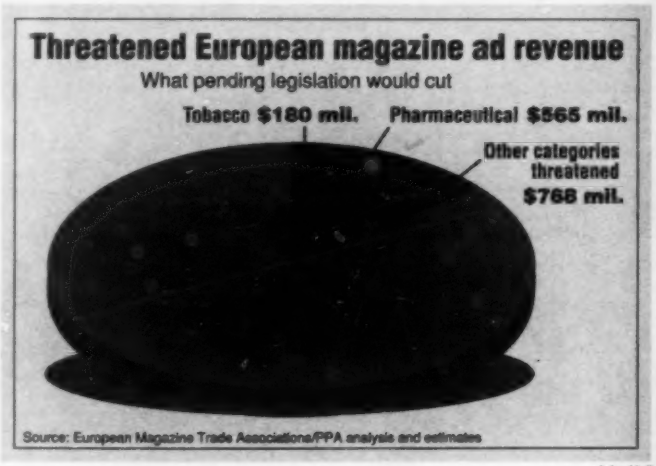
LONDON—Publishers are mobilizing to fight proposed European Community legislation that could cause massive losses of ad revenues and jobs.

The European Publishers Council, formed to combat proposed restrictions on advertising, will break a campaign Nov. 11 in about 100 newspapers and more than 200 magazines.

"If revenue comes down 30% to 40% and you have to cut your editorial costs, newspapers and magazines won't have the same variety of information," said Hubert Burda, chairman, Burda Verlag, Munich.

The publishers' group saw work from 43 agencies and selected print ads created by three—Saatchi & Saatchi Advertising here; Antelme Potel & Associes, Paris; and Bro Annonsbyra, Stockholm. The line "Stop the EC taking liberties" will appear in each ad.

The agencies donated their time, and publishers are providing an estimated $50 million in space for the campaign that will continue into next year.


Threatened European magazine ad revenue
What pending legislation would cut
Tobacco $180 mil.
Pharmaceutical $565 mil.
Other categories threatened $768 mil.
Source: European Magazine Trade Associations/PPA analysis and estimates
John Hall

Legislation is most advanced for restrictions on tobacco and pharmaceutical ads. The tobacco directive is scheduled to be reviewed by EC health ministers Nov. 11, and the pharmaceutical directive is awaiting a second reading in the European Parliament. The European Commission's Consumer Policy Service is expected to make proposals in the coming months that could lead to a directive on food claims.

Up to 1,742 magazines across Europe could close and 16,110 jobs could be eliminated if all the measures under discussion are enacted, a study by another publishers' group found.

The Federation of Associations of Periodical Publishers, Brussels, issued a report this summer that studied the legislation's possible impact on the magazine industry, currently employing 200,000 people at 30,000 titles in the EC.

In 1990, magazine ad revenues totaled $10.9 billion, or 25.4% of all ad revenue in the 12 member nations, the report found. Magazines' share of total ad revenue ranged from a low of 9.6% in Ireland to a high of 32.6% in Germany.

At risk under the proposals are $180 million in tobacco ads, $565 million in pharmaceutical ads and $768 million in other categories, the report said. □

TV'S #6 BEST KEPT SECRET

THE WEEKLY PBS SERIES *MOTORWEEK* OFFERS A WIDE RANGE OF OUTSTANDING SPONSOR BENEFITS. OUR COMPLETE MEDIA SYSTEM INCLUDES:

- Two sponsorship credits each program, or 104 credits per year (plus repeats)
- Access to our mailing list of 500,000+ qualified viewers
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Mags beat tough times

By Laurel Wentz and Dagmar Mussey

The increasing independence of Spanish women, the birth of a baby in the U.K. and reunification of Germany have enabled three monthlies to thrive in hard times.

These success stories counter the downturn in circulation and ad spending that forced magazines such as *Vanity Fair, Mirabella* and *Fortune* to close local editions in Europe this year.

In Spain, *Cosmopolitan* claims it has become the largest-selling women's magazine. The year-old joint venture between *Cosmo* parent Hearst Corp. and German publisher Gruner & Jahr has turned a potential liability—the first audited circulation figures aren't available until mid-November—into a selling point.

"We couldn't wait that long," said Jorge Planas, manager of Gruner & Jahr Espana. "In March we made the offer that if we're not No. 1, we'll give [advertisers] back one of every three pages bought. If we're not [at least] No. 2, we'll give back two of every three pages bought."

Cosmo claims it seized the circulation lead by addressing readers in a more straightforward—even risque—way than other magazines in Spain, he said.

A daring print and TV campaign by etc, Madrid, challenges readers. One ad reads, "If you like sex in movies more than in bed, don't read *Cosmopolitan*. You decide." New executions broke this month.

Despite its claimed 171,000 circulation, Spanish *Cosmo* still trails its competitors in ad revenue, including the 129,000-circulation *Elle*, 98,000-circulation *Marie Claire* and 42,000-circulation *Vogue*

"The only weak spot . . . is that advertising money is not coming in as fast as we'd like it to," Mr. Planas said.

For the fiscal year that began July 1, Mr. Planas expects advertising to total 53% of revenues and circulation the remaining 47%. Long term, advertising should reach 60% to 65% of revenues, he said.

Spanish *Cosmo* takes about 50% of its editorial content from the U.S. edition.

Based on the success of *Cosmopolitan* in another market, the U.K., Hearst in 1989 relaunched *She* for women with children.

Linda Kelsey, then U.K. *Cosmo's* editor, returned from maternity leave in 1989 to discover there was no magazine aimed at the *Cosmo* reader who had married and had children.

"It's a terrible cliche that having a baby changes your life, but it does," said Ms. Kelsey, 39. "I thought, if I see life from a different perspective, where is the magazine that's right for me?"

Instead of launching a new magazine, Hearst's U.K. subsidiary, National Magazine Co., offered Ms. Kelsey an existing Hearst title, *She*.

In the relaunched magazine, Ms. Kelsey created a 16-page monthly section called "You & Your Child" that has attracted new advertisers, including Hasbro toys and Boots baby products. By segregating the section about children, *She* attracts more upscale advertisers such as Harrods in other parts of the magazine.

In Germany, meanwhile, *Reader's Digest* has grown by targeting the new eastern German market. *Das Beste*, the German edition, has increased sales by 434,000 in the last year, thanks to its new Eastern readers. The five east German states now account for 24.5% of the 1.8 million German circulation of *Das Beste*, up from zero before reunification a year ago.

Relaunched *She* addresses upscale moms with a lively format.

Other western German magazines have made only modest gains in the east. Two of the largest-circulation Western German weeklies, Gruner & Jahr's *Stern* and Burda's *Die Bunte*, have only added about 38,000 and 22,900, respectively, in eastern German sales.

"*Das Beste* has been accepted by east German readers because it offers help and advice in many situations, and that is what east Germans need," said Joachim Reischuck, the magazine's manager of marketing services and research. Articles in *Das Beste's* October issue include such as "You too can draw," "Are you only tired or are you sick?" and "Why I didn't lose hope." □

Share belittles int'l media's worth

By Nancy Giges

European media companies typically concentrate on home markets, but their importance to advertisers is greater than pan-European audience size would indicate.

The study by Young & Rubicam, London, published by NTC Publications, found more than 90% of what Europeans listen to, watch and read is owned by a company based in their country. But a few companies are becoming multinational.

Dominance—in both home country and in categories—makes the companies indispensable to advertisers, particularly as the publications expand, the report found.

"The big publishers who are strong in Europe—in Germany, the U.K. and France—tend to expand into the same media in different countries," said Jane Perry, research director, Young & Rubicam Media in Europe, London.

"Just as a large advertiser likes to deal with the same agency in different countries," working with the same publisher and title gives a sense of familiarity, she said.

Initially, "they are driven by a publishing rather than an advertising imperative and are looking for circulation," Ms. Perry said.

The study, prepared last spring, used material from published sources, including statements from the companies and financial reports.

Reader's Digest is the only truly international magazine publishing separate editions in all major Western European countries, except Austria, Ireland and Greece. It's among the top three paid-circulation monthlies in every country except Spain and is the No. 1 seller in eight countries.

Although *Reader's Digest* has 7.7% of European monthlies' circulation total, it trails the 8.5% of Bertelsmann, which publishes titles in a number of countries including Germany, Spain, France and the U.K.

Most of the multinational European media groups come from the four largest markets—Germany, France, Italy and the U.K. German publishers claim 38% of all European sales of both weeklies and monthlies as well as half of all women's magazine sales, according to the report. France holds the next largest share, with 12% of monthlies and 10% of weeklies.

Bertelsmann, whose major consumer magazine company is Gruner & Jahr, is the only German company whose media interests outside its homeland exceed those within the country. Non-German circulation accounts for 62% of Bertelsmann's total European circulation. The company sells 7.7 million copies of weeklies and 7.4 million copies of monthlies in Europe.

Bertelsmann also shows up as an electronic media player, primarily because of its 38.9% holding of RTL-Plus in Germany.

Capturing a big piece of the weeklies' market is Heinrich Bauer Verlag, Germany's largest magazine publisher with 40% of the women's market and 20% of general-magazine sales. Outside Germany, Bauer has concentrated on expanding its domestic titles. For example, the German *Tina* is called *Maxi* in France, *Bella* in the U.K. and *Women's World* in the U.S.

Another major player, Axel Springer Verlag, accounts for 8.8% of the weeklies' circulation in Europe, primarily via TV guides and sport and hobby titles.

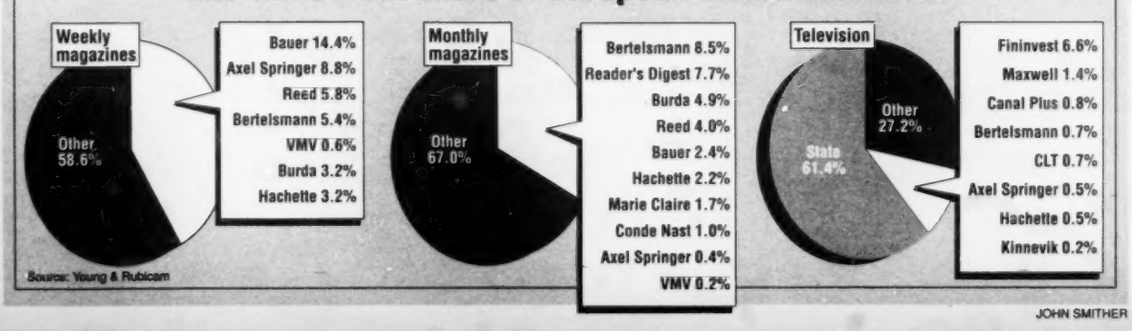
Of the 12 countries included in the study, only Austria had more than 20% foreign ownership in all three print categories: dailies, weeklies and monthlies.

The greatest foreign ownership of monthly magazines is in Switzerland, where foreign companies own 60%, including Hearst Corp., New York, with 24%. Austria has the greatest foreign ownership of weeklies. Bauer holds 51% of women's weeklies and 14% of other weeklies.

TV across Europe is heavily state-controlled, with 61.5% of its audience viewing state-owned channels. Only Silvio Berlusconi's Fininvest controls more than a minuscule percentage of media outside its home country of Italy, with 6.6% of the total European audience. □

Laurel Wentz contributed to this story.

Who owns what share of European media audiences



JOHN SMITHER

Fortune

(Continued from Page S-1)

cloud perception of what kind of magazine *Fortune* is," he said.

During most of *Fortune Italia's* short life, a legal battle raged between Italian entrepreneurs Silvio Berlusconi and Carlo de Benedetti for control of Mondadori, *Fortune's* Italian partner.

"By the time the court battle was resolved, a lot of the damage had been done," Mr. Hayes said.

"Next time we'll have more control and not do it 50-50," he said. "And there will be more management involvement."

"I think they burned their fingers," said Gerd Hinske, publisher of *Business Week International*. "A good title is not automatically a recipe for success."

Business Week's only local-language, joint-venture arrangements are in the Soviet Union and Eastern Europe, where Mr. Hinske noted the editorial is translated from *Business Week*, costs are low and circulation is relatively small.

In February 1988, Hachette and *Fortune* teamed up in France in a joint venture presided over by Hachette Vice Chairman Daniel Filipacchi.

Marie-Solange de Vaugelas, former ad-

"I think they burned their fingers. A good title is not automatically a recipe for success."

vertising director of *Fortune France*, recalled the struggle between the Americans' desire to control the editorial content and the magazine's increasingly French touch.

"*Fortune France* was more glamorous, with a different layout and paper quality" than *Fortune* in the U.S., she said. She's now ad director of the French edition of *Reader's Digest*.

Faced with irreconcilable differences, *Fortune France* closed in 1990. That also doomed the Spanish edition that was to have been launched with Hachette.

In Germany, *Fortune* negotiated for several years with publishing giants Gruner & Jahr, Burda Verlag and Axel Springer Verlag.

"*Fortune* wanted to have the final say in editorial matters, and that was the reason G&J declined," said a German media executive.

At Axel Springer, a spokesman said German publishers are more interested in the eastern German market than other opportunities.

Burda, however, made a deal with *Fortune* rival *Forbes* to launch *!Forbes von Burda* in February 1990 as a 50-50 joint venture in Germany. Circulation reached 90,197 by September 1991, but ad pages for the first nine months of the year totaled 625, compared with 793 for all of last year, when the magazine published eight issues. Burda has the rights to launch *Forbes* in the rest of Europe but currently has no plans.

The Italian edition of *Fortune* was shuttered July 19. Launched in April 1989, it lost an estimated $3 million in its first year and $4 million the second. Ad pages fell from 80 a month in its early months to about 40 at the end.

With the recession deepening, *Fortune* and Mondadori executives met last summer to discuss *Fortune Italia's* future.

"It was the recession and lack of management attention" from Mondadori that led to the magazine's failure, Mr. Hayes said.

Now *Fortune* is redoubling its efforts in the pan-European, English-language niche. *Fortune International* is editorially similar to the U.S. *Fortune*, but with more international ads.

Mr. Hayes said the every-other-week *Fortune International* will increase its European rate base 4.3% to 120,000 with the January issue and is researching how to expand circulation.

Ad sales efforts are also being expanded and *Fortune International* will be repackaged to make it easier for international readers to understand, he said. □

CONSUMER MAGAZINE AD LINAGE

	September 1991	September 1990	Year-to-date 1991	Year-to-date 1990
■ Auto/cycle/rec. vehicles				
AutoWeek (52X)	128.0	137.0	1,153.9	1,323.9
Automobile Magazine C.	62.6	60.8	598.7	574.7
Car & Driver C.	107.3	126.3	953.5	965.7
Car Collector & Car Classics	26.0	21.0	200.0	191.0
Car Craft	54.4	64.6	539.8	627.2
Circle Track	69.2	70.8	730.5	735.5
Cycle	33.7	33.5	374.5	371.1
Cycle World	45.6	36.0	425.6	408.1
Dirt Rider	36.7	34.2	363.5	371.5
Dune Buggies & Hot VWs	83.4	80.1	640.6	652.0
Easyriders	37.0	33.9	348.2	252.7
Family Motor Coaching	158.0	194.3	1,462.7	1,532.6
Four Wheeler C.	77.7	81.8	694.9	745.4
Hot Rod C.	56.3	63.1	569.3	613.4
Motorcyclist	30.7	31.3	415.8	383.5
Motor Trend C.	56.2	66.7	622.1	668.7
Motorhome	80.3	95.8	734.9	861.3
Petersen's 4 Wheel	75.5	80.0	642.3	743.7
Rider	25.2	26.4	286.8	303.1
Road & Track C.	96.1	101.2	809.5	835.6
Trailer Life	82.0	106.1	746.9	837.5
Total Group	**1,421.9**	**1,553.9**	**13,313.8**	**13,998.0**
% change	**-8.5%**		**-4.9%**	
■ Boating & yachting				
Boating	84.7	105.8	845.1	1,117.2
Chesapeake Bay	26.0	35.0	286.7	384.0
Cruising World	93.1	113.8	898.5	969.6
Lakeland Boating (11X)	59.0	68.3	573.4	705.8
Motor Boating & Sailing	90.2	94.8	857.0	1,069.1
Sail	103.0	100.9	895.8	968.9
Sailing World	37.8	61.2	423.5	479.5
Trailer Boats (11X)	26.2	31.2	464.7	540.3
Yachting C.	149.0	152.4	1,037.2	1,213.8
Total Group	**669.0**	**763.4**	**6,281.9**	**7,448.2**
% change	**-12.4%**		**-15.7%**	
■ Civic/fraternal				
Elk (10X)	16.9	15.2	128.8	125.8
Kiwanis (10X)	19.1	18.8	147.7	136.9
Lion (10X)	8.2	9.3	64.4	43.0
Rotarian	13.5	20.0	133.6	141.8
V.F.W. (11X)	24.3	31.6	221.7	227.4
Total Group	**82.0**	**94.9**	**696.2**	**674.9**
% change	**-13.6%**		**3.2%**	
■ General				
American Health (10X) C.	34.3	29.6	231.3	327.8
American Heritage (8X) C.	37.1	63.7	241.8	262.4
American Legion	61.4	37.2	317.5	311.2
Archaeology (6X)	29.0	38.2	153.2	159.5
Art & Antiques (10X) C.	50.1	77.0	393.6	553.2
ARTnews (10X)	71.2	105.6	604.7	826.8
The Atlantic A. C.	62.2	77.5	444.7	475.4
Bon Appetit A. C.	71.1	74.9	631.4	728.5
Buena Salud	40.3	41.3	250.2	149.1
Cable Guide C.	27.4	31.2	224.8	245.4
Caribbean Travel & Life (7X)	49.7	48.0	272.6	202.7
Conde Nast Traveler C.	82.2	95.7	700.2	732.1
Connoisseur C.	41.0	72.3	355.3	493.3
Consumers Digest (6X) C.	25.2	32.2	111.6	130.7
Cooking Light C. (7X)	84.1	57.7	314.9	295.0
Country America (10X) C.	47.6	34.8	319.1	212.5
Departures N. America (6X)	—	—	214.9	161.5
Ebony C.	69.5	76.7	690.4	779.1
Endless Vacation (8X) C.	30.2	17.1	158.0	204.8
European Travel & Life (10X) C.	29.0	54.3	290.7	362.3
Food & Wine C.	44.7	57.6	380.2	487.3
Golden Years (6X)	42.4	40.6	155.1	173.5
Gourmet C.	91.6	107.6	756.9	860.3
Harper's Magazine A. C.	34.3	36.6	271.4	279.4
Islands (6X)	78.8	81.7	405.6	324.7
Kiplinger's Personal Finance C.	56.8	56.3	411.7	482.7
Let's Live	35.0	52.0	373.0	436.0
Life C.	26.5	60.2	346.0	482.3
Longevity C.	45.6	46.2	395.1	324.4
Mature Outlook (6X) C.	54.2	53.6	217.3	194.2
Modern Maturity (6X) C.	—	—	128.1	148.1
Money C.	96.0	92.7	828.0	876.7
National Geographic C.	25.4	21.4	208.6	195.4
National Geographic Traveler (6X) C.	45.3	40.1	214.0	224.3
Natural History C.	36.3	39.0	282.1	356.9
New Choices C.	31.1	43.2	231.4	257.3
Prevention C.	38.7	51.5	349.1	418.3
Reader's Digest A. C.	70.2	95.4	616.7	776.0
Sat. Evening Post (9X) C.	—	41.3	168.3	224.8
Smithsonian C.	61.4	79.8	589.2	678.0
Spin C.	67.2	43.9	415.9	374.1
Town & Country C.	134.5	194.8	704.0	1,070.0
Travel-Holiday C.	37.5	29.8	343.8	319.6
Travel & Leisure C.	126.2	135.2	932.0	990.9
Travelhost A.	142.1	139.8	1,116.2	1,113.5
Vanity Fair C.	173.4	197.4	888.9	961.1
The Walking Mag. (6X) C.	—	—	133.6	82.1
Yankee C.	58.3	76.3	485.4	552.8
Total Group	**2,596.2**	**2,978.8**	**19,268.2**	**21,277.8**
% change	**-12.8%**		**-9.4%**	
■ Home				
Architectural Digest A. C.	64.7	111.0	880.6	1,306.5
Better Homes & Gardens C.	109.3	102.3	906.8	909.9
Colonial Homes (6X) C.	—	—	187.0	188.7
Columbus Monthly-Homes (4X)	—	—	64.4	88.9
Country Home (6X) C.	—	—	233.7	228.4
Country Life (6X)	44.8	57.7	239.8	254.7
Country Living C.	89.0	92.2	685.7	794.8
Decorating Remodeling (6X) C.	—	56.7	246.3	294.7
Family Handyman (10X) C.	58.4	51.0	357.7	293.0
Flower & Garden (6X)	33.5	17.2	163.9	142.4
HG C.	93.6	100.8	616.2	720.0
Home C.	49.2	69.4	398.2	484.0
Home Mechanix C.	54.9	75.5	330.1	415.0
Horticulture (10X)	—	33.3	342.0	384.8
House Beautiful C.	82.0	66.7	517.7	531.5
Metropolis (10X)	45.7	60.5	362.3	419.1
Metropolitan Home C.	76.8	90.2	586.7	814.8
Midwest Living C.	—	—	275.9	277.8
Organic Gardening (9X) C.	45.7	53.8	338.3	319.6
Phoenix Home/Garden	68.2	82.5	442.4	569.4
Practical Homeowner (9X) C.	52.1	60.6	351.3	314.8
San Diego Home/Garden	57.1	65.8	552.6	638.3
Southern Accents (11X) C.	54.5	85.5	329.9	524.1
Southern Living C.	138.2	110.6	876.5	937.6
Sunset Magazine A. C.	107.7	99.5	1,015.0	1,084.3
Workbench (6X)	31.4	28.0	150.9	130.8
Total Group	**1,356.7**	**1,570.7**	**11,451.6**	**13,061.8**
% change	**-13.6%**		**-12.3%**	
■ In-flight & other passenger				
Aboard Group (6X)	34.3	43.3	184.6	211.6
Alaska Airlines	63.3	81.8	475.3	643.3
America West Airlines	63.8	94.7	573.8	718.7
American Way (24X) C.	197.1	171.6	1,119.6	1,273.4
Continental Profiles	41.7	43.1	350.3	446.5
Delta Sky C.	74.3	77.6	572.7	630.8
Pan Am Clipper	25.3	39.5	261.2	398.1
Southwest Spirit	55.8	53.3	492.0	478.1
Spirit of Aloha	33.3	32.0	314.6	308.7
TWA Ambassador (10X)	36.3	39.2	217.4	336.0
United Vis `A Vis	76.1	80.0	607.8	625.0
US Air Magazine	65.0	74.1	580.4	565.5
Total Group	**766.2**	**830.2**	**5,749.6**	**6,635.6**
% change	**-7.7%**		**-13.4%**	
■ Men's				
Esquire A. C.	131.8	131.9	623.3	879.7
Firehouse Magazine	44.6	34.4	382.5	346.8
Gentlemen's Quarterly A. C.	223.5	295.0	1,100.5	1,403.8
M Inc. C.	124.0	151.7	467.7	620.3
Men's Fitness	43.2	22.3	321.9	242.4
Men's Health (6X)	28.7	28.7	123.1	135.4
Muscle & Fitness C.	112.5	98.8	1,057.1	933.8
Penthouse A. C.	81.8	60.7	563.8	468.0
Playboy A. C.	64.8	63.5	541.0	505.5
Popular Mechanics C.	59.0	74.1	515.0	592.3
Total Group	**913.8**	**961.1**	**5,695.8**	**6,127.9**
% change	**-4.9%**		**-7.1%**	
■ Metropolitan				
Aloha (6X)	52.5	51.2	190.0	233.7
Annapolitan	47.1	59.3	357.5	578.3
Atlanta	77.5	80.0	621.3	651.2
Baltimore	42.7	48.0	402.1	507.2
Boston	82.6	116.6	698.8	914.8
Chicago	83.2	95.6	634.7	765.2
Chicago's North Shore	84.2	95.4	682.3	804.9
Cincinnati	36.2	60.2	281.7	361.2
Cleveland	55.4	42.9	367.2	392.4
Columbus Monthly	55.2	77.6	397.5	556.3
Connecticut	64.2	91.0	531.2	750.4
D/Magazine	51.1	50.1	437.7	489.8
Detroit Monthly	45.1	68.5	388.5	505.8
Diablo	53.6	52.0	494.2	600.2
Grand Rapids	29.0	45.0	226.7	308.1
Honolulu	64.5	56.1	456.4	500.7
Houston Metropolitan Magazine	69.0	66.5	561.3	580.2
Inside Chicago (8X)	22.4	30.2	99.1	141.0
L.A. Style	132.9	173.3	693.4	1,003.9
Los Angeles	102.1	121.9	851.7	1,218.7
Louisiana Life (6X)	38.9	29.2	149.7	150.1
Madison	48.0	44.0	308.0	410.0
Memphis	38.7	40.0	465.7	493.1
Mid Atlantic Country	72.9	72.6	493.9	439.7
Milwaukee	49.7	70.2	495.3	521.5
Minneapolis/St. Paul	94.5	116.0	750.1	902.0
Minnesota Monthly Magazine	58.6	64.4	465.6	567.8
New Jersey Monthly	47.0	71.2	403.2	594.4
New Mexico	37.1	44.0	381.2	394.3
New York Woman (10X)	43.0	69.7	233.0	331.4
Ohio	44.5	68.1	419.2	479.5
Orlando	67.6	68.3	750.2	808.6
Pacific Northwest (11X)	—	—	258.3	375.7
Palm Beach Life	14.8	46.8	313.4	514.7
Palm Springs Life	274.4	271.1	1,071.7	1,131.1
Philadelphia	113.0	110.3	946.2	1,113.4
Phoenix	32.2	29.6	247.8	319.7
Pittsburgh	54.2	56.8	551.9	573.6
Rhode Island Monthly	48.0	49.3	342.5	490.6
Sacramento Magazine	45.1	55.8	428.4	512.2
St. Louis	34.8	41.0	372.8	398.1
San Diego	92.7	136.1	870.1	1,176.0
San Francisco Focus C.	88.8	107.8	640.4	841.8
Sarasota (10X)	—	—	458.2	592.0
South Florida Magazine	51.6	61.4	424.2	721.0
Texas Monthly C.	113.5	123.4	947.4	981.3
The Washingtonian	103.2	137.0	848.0	997.4
Total Group	**2,957.2**	**3,465.2**	**23,409.2**	**28,694.9**
% change	**-14.7%**		**-18.4%**	
■ Music/entertainment				
Audio	67.1	85.8	634.7	738.5
Dance Magazine	46.3	46.8	482.3	477.3
Playbill	42.3	55.7	362.3	403.4
Premiere C.	58.3	59.6	490.6	548.3
Video Magazine	64.5	81.2	602.9	595.2
Total Group	**278.5**	**329.1**	**2,572.7**	**2,762.7**
% change	**-15.4%**		**-6.9%**	
■ Outdoor & sport				
Alaska	43.3	50.9	370.2	369.8
The American Handgunner (6X)	62.0	58.0	281.0	286.0
American Hunter	42.4	45.0	162.9	190.1
American Rifleman	32.6	36.3	197.0	223.2
Audubon (6X)	45.5	44.4	216.9	209.0
Backpacker (8X) C.	46.3	—	236.5	173.6
B.A.S.S. Times	17.8	7.8	133.9	135.2
Bassmaster (10X) A. C.	42.8	48.7	492.5	539.2
Bicycling (9X) C.	—	—	733.4	796.3
Body Boarding (8X)	38.2	54.1	200.7	245.2
Ducks Unlimited (6X)	58.0	44.6	158.3	148.7
Field & Stream C.	99.9	87.0	576.1	605.2
Fishing World (6X)	16.7	16.6	134.1	195.7
Flex	92.7	58.2	719.5	579.7
Florida Sportsman	76.3	81.5	918.4	1,106.0
Golf Digest C.	97.9	80.0	925.0	1,006.9
Golf Magazine C.	68.2	74.8	826.3	900.9
Guns	50.0	52.0	342.0	366.0
Guns & Ammo	39.0	50.5	322.6	406.6
In-Fisherman (7X)	33.0	30.0	380.5	386.2
Outdoor Life C.	72.6	91.6	548.8	605.7
Outside Magazine C.	79.9	65.7	626.7	558.8
Petersen's Hunting	64.3	74.9	337.6	400.0
Runner's World (12X) C.	35.9	57.8	415.8	348.9
Salt Water Sportsman C.	53.2	62.1	726.0	889.7
Shooting Times	48.8	47.2	283.4	288.8
Sierra (6X)	57.5	46.8	223.4	178.6
Ski (8X) A. C.	164.0	161.5	465.7	454.3
Skiing (7X) A. C.	167.5	187.5	397.1	417.5
Skin Diver C.	117.3	126.7	1,100.9	1,118.6
Southern Outdoors (9X)	62.6	51.5	309.8	318.6
Southern/Western Lnks (6X)	49.7	27.7	188.7	158.9
Sport Magazine C.	25.3	38.6	277.7	270.1
Sports Afield C.	68.1	81.4	545.7	597.6
Surfing	72.7	86.1	542.8	664.3
Tennis C.	94.5	94.3	563.7	577.6
Volleyball (9X)	36.3	29.2	206.8	57.5
Waterski (10X)	38.5	54.3	524.0	571.0
Western Outdoors (9X)	19.6	30.1	182.3	252.3
Wind Surfing (8X)	36.5	38.6	361.0	412.9
Total Group	**2,367.1**	**2,373.7**	**17,157.6**	**18,011.0**
% change	**-0.3%**		**-4.7%**	
■ Photography				
American Photo (6X) C.	56.7	47.7	259.6	241.5
Outdoor Photographer (10X)	30.8	28.6	218.9	212.4
Petersen's Photographic	47.9	24.5	324.2	218.0
Popular Photography C.	108.1	103.0	950.3	905.9
Total Group	**243.4**	**203.8**	**1,752.9**	**1,577.8**
% change	**19.4%**		**11.1%**	
■ Science/electronic/mech				
Home Office Computing C.	35.6	41.4	301.1	398.4
Omni C.	48.6	39.1	482.9	428.4
Popular Science C.	68.9	66.7	520.3	558.2
Scientific American C.	76.5	64.8	436.6	367.4
Spectrum C.	53.0	45.5	384.4	454.0
Total Group	**282.7**	**257.5**	**2,125.4**	**2,206.4**
% change	**9.8%**		**-3.7%**	
■ Woman/fashion/service				
Bride's Magazine (6X) A. C.	—	—	2,220.1	2,354.9
Child (10X) C.	62.0	61.8	399.3	390.9
Cosmopolitan A. C.	181.1	233.2	1,439.4	1,578.0
Elegant Bride (6X)	—	—	694.6	637.6
Elle C.	257.8	334.3	1,213.6	1,590.6
Essence C.	68.1	75.0	571.0	650.1
Family Circle (17X) A. C.	163.2	185.5	1,064.7	1,218.1
Glamour C.	198.1	228.6	1,237.7	1,375.3
Good Housekeeping A. C.	160.7	173.5	1,140.6	1,225.0
Harper's Bazaar C.	130.3	225.5	755.1	996.7
Imagen	85.5	104.0	638.8	782.5
Ladies' Home Journal C.	150.8	137.2	1,057.4	1,073.9
Lear's C.	49.6	60.6	339.0	459.4
Mademoiselle C.	154.7	205.4	972.4	1,153.9
McCall's C.	96.2	89.1	714.7	705.0
Military Lifestyle (11X)	71.8	86.7	482.1	557.8
Mirabella C.	130.8	154.6	560.4	751.7
Modern Bride (6X) C.	—	—	1,927.8	1,892.4
New Woman C.	75.9	87.7	547.0	673.1
Parenting (11X) C.	100.1	93.3	585.9	535.2
Parents Magazine A. C.	123.3	113.4	961.9	1,016.4
Redbook C.	106.7	143.1	771.5	853.4
Self C.	113.2	158.1	685.9	947.8
Seventeen C.	90.5	115.6	759.1	994.5
Shape C.	76.0	52.9	511.0	476.7
Soap Opera Digest (26X) C.	43.3	43.4	307.2	292.2
Teen Magazine	66.0	94.3	436.4	482.7
True Story A. C.	36.4	52.0	370.1	473.4
Victoria C.	46.6	54.9	353.6	387.4
Vogue C.	422.4	483.9	1,887.7	2,166.1
W Magazine (26X) C.	222.9	156.5	906.8	982.6
Weddings West (2X)	—	—	215.3	37.2
Weight Watchers C.	28.2	42.6	286.5	312.4
Woman's Day (15X) A. C.	160.6	85.8	903.1	984.9
Workbasket (6X)	25.3	21.1	126.4	76.4
Working Mother C.	62.2	75.9	481.0	541.0
Working Woman C.	82.6	144.8	591.9	735.5
Total Group	**3,843.0**	**4,374.1**	**29,216.8**	**32,362.6**
% change	**-12.1%**		**-9.7%**	
■ Youth				
Boys' Life C.	14.8	23.8	132.6	149.5
Campus Life (10X)	50.2	44.2	308.2	276.5
Total Group	**65.0**	**68.0**	**440.8**	**426.0**
% change	**-4.4%**		**3.5%**	
■ Business/national				
Barron's	150.8	172.8	1,111.8	1,275.7
Black Enterprise C.	63.0	52.1	682.3	699.7
Business Week (52X) A. C.	334.9	346.0	2,265.6	2,845.2
Economist (52X) C.	245.4	294.7	1,708.8	1,953.4
Entrepreneur C.	168.0	191.8	1,479.6	1,505.0
Entrepreneurial Woman (7X) C.	47.2	42.1	285.4	214.1
Financial World (26X) C.	48.3	80.4	464.6	751.3
Forbes (26X) C.	483.7	274.5	2,317.2	2,487.7
Fortune (26X) C.	297.1	304.5	1,940.9	2,320.4
Frequent Flyer	35.3	63.0	304.9	363.8
Futures	61.4	33.9	355.0	353.7
Harvard Business Review (6X) C.	50.8	73.3	253.0	302.8
Inc. Magazine C.	108.2	106.5	663.5	784.2
Income Opportunities	80.1	87.4	584.3	598.5
Industry Week (23X) A.	75.5	100.9	644.5	799.7
Nation's Bus. (12X) A. C.	28.6	26.2	216.4	219.5
Success C.	41.8	38.9	315.5	249.3
Total Group	**2,320.1**	**2,288.8**	**15,593.2**	**17,723.9**
% change	**1.4%**		**-12.0%**	
■ Business/regional				
Business Atlanta	26.0	40.0	395.5	570.4
Bus. First-Columbus (52X)	152.6	78.9	918.3	784.7
Bus. Jrnl.-Milwaukee (52X)	152.9	146.0	1,056.2	1,289.0
Bus. Jrnl.-Sacramento (52X)	89.5	72.4	731.6	797.2
Bus. North Carolina	31.5	41.8	287.3	371.8
Capital Dist. Business Review (52X)	96.4	88.5	703.2	635.7
Caribbean Business	83.9	109.2	860.7	1,083.3
Corporate Rpt. Minnesota	53.6	58.7	434.0	468.9
Crain's Chicago Bus. (52X)	127.1	152.2	967.5	1,246.4
Crain's Cleveland Bus. (52X)	148.0	154.0	532.8	664.4
Crain's Detroit Bus. (52X)	72.4	79.8	572.6	769.9
Crain's New York Bus. (52X)	72.0	64.0	534.0	576.0
Florida Trend (13X)	28.0	33.0	323.0	395.0
Georgia Trend	28.2	51.7	301.0	379.1
Grand Rapids Bus. Jrnl.	57.0	58.6	469.1	486.5
Hawaii Business	37.2	55.7	473.2	521.5
Houston Bus. Jrnl. (52X)	168.1	124.7	1,081.7	661.4
Indianapolis Bus. Jrnl. (52X)	165.5	155.9	1,187.2	1,370.1
Nashville Business & Lifestyle	16.9	36.9	178.1	317.8
New England Bus. (12X) A.	24.7	39.0	199.0	283.3
New Orleans City Bus.	78.5	52.2	698.4	497.2
Pacific Bus. News (52X)	135.9	109.3	1,006.6	959.9
Philadelphia Bus. Jrnl (52X)	134.7	124.7	745.3	803.4
Pittsburgh Bus. Times (52X)	95.3	102.3	535.4	878.0
Providence Business News	76.8	46.5	565.0	541.7
Regarde's/Washington (7X)	—	—	427.0	776.0
St. Louis Bus. Jrnl. (52X)	148.3	92.3	1,125.0	921.1
Warfield's/Maryland (26X)	82.7	74.8	507.7	536.8
Total Group	**2,383.5**	**2,243.0**	**17,816.3**	**19,586.6**
% change	**6.3%**		**-9.0%**	
■ National Sunday mags				
Parade (52X) C.	74.2	73.4	551.2	518.3
USA Weekend (52X) C.	66.3	75.7	488.7	500.1
Vista Magazine (12X)	16.3	35.5	131.1	186.2
Total Group	**156.8**	**184.6**	**1,171.0**	**1,204.6**
% change	**-15.1%**		**-2.8%**	
■ Newspaper Sunday magazine				
Boston Globe	107.6	140.7	996.1	1,385.7
Chicago Tribune	174.6	171.5	897.4	1,099.7
Cleveland Plain Dealer	59.2	87.6	391.5	543.2
The Dallas Morning News	57.9	77.7	410.8	480.0
Detroit Free Press	42.0	63.0	310.0	466.0
L.A. Times C.	114.2	83.7	669.2	671.2
New York Times Mag. C.	301.2	439.9	1,953.5	2,678.8
Philadelphia Inquirer	101.2	141.9	589.0	832.0
Seattle Times	95.0	105.0	623.0	720.0
St. Louis Post Dispatch	96.6	121.8	731.4	706.8
Toledo Blade Magazine	27.3	33.2	281.4	313.8
Washington Post	88.0	159.9	659.6	962.8
Total Group	**1,264.8**	**1,625.9**	**8,712.9**	**10,860.0**
% change	**-22.2%**		**-21.6%**	
■ Weeklies/bi-weeklies				
The Advocate (26X)	153.0	188.3	1,604.0	1,365.5
Army Times Military Group:				
Air Force Times (52X)	172.6	238.7	1,277.2	1,395.4
Army Times (52X)	166.1	230.0	1,245.7	1,386.3
Navy Times (52X)	179.0	250.1	1,333.9	1,474.0
Capper's (26X)	33.3	29.4	248.4	258.3
Commonweal (22X)	6.8	9.4	55.9	73.9
Entertainment Weekly (52X) C.	100.0	87.5	621.8	611.2
Golf World (41X) C.	64.7	62.6	1,206.1	1,200.6
Grit (52X) A.	36.6	46.4	280.9	335.8
Jet (52X) C.	108.9	95.5	779.4	769.9
National Journal (50X) C.	51.5	67.0	410.8	491.8
National Review (25X)	30.7	27.5	291.4	244.9
New Republic (48X)	37.4	45.1	336.8	336.0
New York Mag. (50X) C.	210.1	229.0	1,499.2	1,775.6
New Yorker C.	206.5	203.9	1,183.5	1,472.6
Newsweek (52X) A. C.	172.0	216.2	1,273.2	1,542.7
People (51X) C.	304.4	343.2	2,174.9	2,494.6
Rolling Stone (25X) C.	175.9	191.6	1,139.6	1,352.8
Sporting News (52X) C.	60.7	33.4	328.6	368.5
Sports Illustrated (52X) A. C.	210.1	245.8	1,540.9	1,806.7
Time (52X) A. C.	190.4	225.1	1,434.5	1,794.0
TV Guide (52X) A. C.	304.7	446.6	1,751.2	2,186.8
US Magazine (26X) C.	33.9	56.2	325.8	506.9
U.S. News & World Report (50X) A. C.	182.1	162.4	1,284.5	1,324.7
Total Group	**3,191.4**	**3,730.9**	**23,628.1**	**26,569.5**
% change	**-14.5%**		**-11.1%**	

NOTES: Linage is given in paid ad pages. (X) represents the number of times published each year; publications are monthly unless otherwise specified. A. Sectional linage included but prorated to circulation of regional editions. B. Incomplete report not included in group total and % change. C. Figures supplied by Publishers Information Bureau. All other figures are supplied by the magazines. *Ad Age* makes no attempt to verify figures and is not responsible for inconsistencies or errors. Compiled by Kathy Welyki.